



UNITED STATES ARMY

FISCAL YEAR 2004  
MWR ANNUAL REPORT





# Preface

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The annual report of the Army's Morale, Welfare, and Recreation programs and related activities is prepared by the U.S. Army Community and Family Support Center. The report reflects operating results for Fiscal Year 2004 and provides an overview of programs to constituent commanders and customers who are the recipients of these services and from whom revenues are derived. Where appropriate for continuity and clarity, some program narratives may be continued into Fiscal Year 2005.

Nonappropriated financial data is compiled from audited and unaudited operating results of field operating and Headquarters nonappropriated fund activities.

The U.S. Army Audit Agency and command Internal Review elements periodically test financial components of field nonappropriated fund activities. Commercial auditors conduct annual audits of Headquarters nonappropriated funds. The CFSC also submits to independent commercial auditors who conduct annual audits of Headquarters nonappropriated funds using Generally Accepted Government Auditing Standards, which are more rigorous than commercial accounting standards. For Fiscal Year 2004, auditors concluded that the financial position of these funds and the results of operations and cash flow were in conformity with accounting principles generally accepted in the United States of America.

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*Baghdad International Airport, Iraq*  
Soldiers of the 1<sup>st</sup> Armored Division play a flag football game against  
Air Force personnel from the 447<sup>th</sup> Air Expeditionary Group.  
- Photo by Staff Sgt. Stacy Pearsall

## **Army Morale, Welfare, and Recreation**

# Fiscal Year 2004 Annual Report

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# The Year in Review



***"Soldiers are entitled to the same quality of life as is afforded the society they are pledged to defend."***

You may have heard that statement before, or it may very well be a fresh inspiration. For those charged with supporting the needs and cares of Soldiers and their families, it's the bottom line. Every Army leader and MWR professional is the muscle in that philosophy. It's the core of what we do and why we do it.

Soldiers across the globe right now are fighting to win the Global War on Terrorism. Much of what they're doing will get no recognition, no medal, no picture in the paper. They do it because it's the right thing to do—they do it because they're Soldiers, and Soldiers don't expect such rewards. Make no mistake though, Soldiers do indeed have expectations concerning their profession and concerning the quality of life they and their families are afforded because of that profession. When you look hard at what makes a Soldier "tick," it becomes clear that they are fighting to maintain an entire country's way of life—a way of life they share. These unique citizens, volunteer patriots all, and the families that love and nurture them, make sacrifices in the name of honor and duty that many might take for granted. As Army leaders, we have a covenant with these Soldiers and the families they entrust to our care that we must honor.

This report summarizes the progress and accomplishments of MWR in caring for those Soldiers and families that comprise the best trained, best equipped, and most technologically sophisticated Army in the history of the world.

## Highlights from FY 2004:

- Recent research proves what most of us have long known intuitively: MWR programs are directly linked to mission readiness and retention. There is a direct payoff between MWR programs and most aspects of individual and unit readiness, including fitness, discipline, commitment, and preparedness. Research also shows a direct link between MWR programs and family readiness—frequent use of MWR programs by family members corresponds directly with higher levels of personal and family adjustment. MWR helps keep Soldiers fit and motivated and helps their families better adjust and adapt to the unique Army way of life. These factors influence an individual's decision to stay in the Army and the family's support for doing so.
- MWR support to deployed Soldiers continues to grow. Sixteen Army MWR civilian professionals deployed to Operation Iraqi Freedom, Operation Enduring Freedom, and the Balkans to support requirements for MWR programming and activities. MWR facilities are operating at 25 large and 22 small sites in Iraq, three large and five small sites in Afghanistan, and two large and five small sites in Kuwait.
- Deployed Soldiers cite communication with loved ones at home as their most important concern. Internet Cafés for coalition personnel are now operational at 170 sites in Iraq, three in Afghanistan, and another café is being installed in Kuwait.
- CFSC shipped \$19M in MWR sports and recreation equipment "down-range" to deployed Soldiers in FY04. Company and battalion-sized kits include sports equipment, games, books, magazines, movies, musical CDs, and an array of audio-visual entertainment equipment.
- Army-operated Armed Forces Recreation Centers provide Rest and Recuperation programs in support of OIF/OEF for Soldiers, Sailors, Airmen, Marines, both Active and Reserve Components, and their families, while in R&R or Block Leave status; discounted vacation packages are available to Soldiers in Germany, Hawaii, Korea, and at the Walt Disney® World Resort in Orlando, Florida. In Orlando, the Shades of Green® reopened with 586 guestrooms after a two-year expansion and renovation, while in Germany a new 330-room Edelweiss Lodge and Resort opened its doors at the foot of the Alps in southern Bavaria to provide guests with a unique Alpine vacation.

- On the homefront, the Family and Soldier Readiness System is serving Soldiers and families prior to, during, and after deployments. This system provides commanders with an integrated chain of support from Army Community Service, family assistance centers, family readiness groups, rear detachments, and other community resources. ACS centers, some National Guard Readiness Centers, and Army Reserve Centers provide families with video-teleconferencing equipment and Internet access to make it easier and less costly for family members to communicate with their deployed Soldiers.
- The Better Opportunities for Single Soldiers program is easing the transition of Reserve and National Guard units from civilian communities to a military environment. BOSS Councils at 44 stateside and 39 overseas installations provide information on recreation, outreach, and chain of command issues to single and unaccompanied Soldiers.
- When Soldiers redeploy and reunite with their families, ACS coordinates with chaplains and social work services from military treatment facilities to conduct installation-wide reunion briefings and counseling. Soldiers receive redeployment training prior to departure from theater and can attend additional workshops on relationships with spouses and children, household routines, and family finances.
- CFSC is conducting pilots for a multicomponent (Active, Guard, and Reserve) family support network to serve the needs of an expeditionary force and mitigate the effects of extended deployments on families in geographically dispersed locations.
- Army One Source is providing 24/7 toll-free support to Active, Guard, and Reserve Soldiers, deployed civilians, and their families. AOS provides deployment and reintegration information and referrals to professional civilian counselors for marriage and family issues.
- Child and Youth Services initiatives are helping the children and youth of deployed Soldiers. Focusing on the needs of geographically dispersed military parents, CYS uses a national nonprofit organization to help families locate child care at reduced rates in their local communities when they can't access care on military installations. CYS is also creating community support networks for military youth in rural, urban, and suburban areas. Through coordination with state and county Cooperative Extension staffs, veterans service organizations, schools, and other agencies, this network seeks to bridge a support system for children and youth who are "suddenly military."
- Operationally, total appropriated fund and NAF support to Army MWR programs for FY04 was \$1.6B, a \$131M increase over FY03. Sixty-three percent of the APF increase was, however, attributed to GWOT supplemental support for MWR. For NAF, cost-effective management practices continue to maintain low operating expenses as a percent of revenue and produced a modest increase from FY03 net income.

What does the future hold for Army MWR? Our core programs are solid, and will remain so. Restationing initiatives in the next few years will demand significant requirements for NAF capital investments in the U.S while at the same time depressing NAF revenue from OCONUS locations. Balancing these actions will require solid management and leadership to ensure that MWR operations continue to support Soldiers and families with predictable programs and services. MWR will continue to support the well-being of the Total Army Family and the strategic imperatives of the joint expeditionary Army.

Soldiers don't ask for much, which is all the more reason we as leaders hold true to our covenant to provide what they need. As Soldiers serve the interests of our country, we serve them. Army MWR helps make better Soldiers and stronger families. There is nothing I do that is more important than supporting our great Soldiers—particularly those on distant and hostile ground—and their families who wait at home.





## ***"Under the Hood"***

The U.S. Army Community and Family Support Center was established in 1984 as the Army's proponent for MWR programs. As a field operating agency under the Assistant Chief of Staff for Installation Management, CFSC's foremost mission is to develop and formulate plans, strategies, and standards for MWR programs. The CFSC supports commanders by providing guidance and assistance in implementing efficient and effective customer-driven MWR programs. We also directly operate four world-class Armed Forces Recreation Centers, a world-wide recreation gaming machine program, and the World Class Athlete Program.

When I first arrived to assume command of the Community and Family Support Center, I was surprised by the breadth of programs and services provided by this organization. I knew about 60 percent of what goes on at CFSC—Family Programs, Child and Youth Services, Business Programs, Community Recreation, and AFRCs—those things about which most MWR customers know. There are lesser known, but equally important, directorates working behind the scenes to ensure Soldiers and their families, as well as the MWR workforce, are well supported.

- Human Resources takes care of 36,000 MWR employees worldwide, from training, benefits, and job opportunities to career management. Our HR professionals are currently developing a leader development plan to provide the Army MWR workforce with a long-term approach for enhancing career mobility and experience.
- The Construction Directorate centrally manages NAF major construction and engineering support to the field, including interior and food service design for various projects. Most are Army projects, but they also assist the Navy, Marine Corps, Army and Air Force Exchange Service, and the Navy Exchange Service Command. Since 1996, Construction has coordinated 162 NAF major construction projects worth \$630M. They are currently supporting 25 Army major construction projects valued at \$101M, 11 Army Lodging projects valued at \$155M, 14 projects from other Services valued at \$72M, and interior design projects valued at \$130M.
- The Contracting Directorate works hand-in-hand with the field on contracts for communications stations, fitness equipment, food and beverage point-of-sale systems, Army Lodging amenities, and the joint prime vendor program. They've developed an electronic mall on the Internet to join government buyers with suppliers. Thanks to this directorate alone, the Army saved more than \$28M in 2004.
- The Financial Management Directorate formulates NAF financial management policies and provides oversight of Army field NAF Instrumentalities. They also manage the Army Banking and Investment Fund portfolio—the only NAF investment portfolio authorized for the Army and certain Department of Defense NAFIs. The ABIF invests money from the field to create interest that goes back to the field, and it does so at a third of the management cost of comparable money market funds.

The list goes on with our other professionals. Like me, you may not have known about these many hardworking CFSC professionals. But you will. CFSC is a great organization with a lot of positive energy, with a lot going on "under the hood" that most people never hear about. Much of our publicity efforts have focused on core programs so important to Soldiers and their families. A small part of that marketing effort will now ensure that the field, commanders, and customers know what is available in technical capabilities at CFSC to support the future.

Since its inception, the CFSC has proven that success breeds success. When there's something to be done to support Soldiers and families, the mission comes here. Since 1992, the CFSC has been tasked by the Congress, Department of Defense, the Army Secretariat, the Army Chief of Staff, and the MWR Board of Directors to successfully work 67 new missions or major projects. Most recently, CFSC and the rest of the Army experienced a rapid increase in the pace of operations and mission due to the GWOT. Core MWR programs are expanding to increase child care availability, increase Army Community Service support to the Guard and Reserve, deploy sports and physical fitness personnel and equipment downrange, and tailor more promotions and events to garrison business operations in order to maintain community cohesiveness and morale. As core programs accelerate, so must support programs.

Serving Soldiers and their families is what we're about. I look forward to leading the caring, hard-working professionals in this important organization and across the spectrum of MWR programs and services during such a critical time in the history of our Army. I'm here to see, to learn, to share ideas, to help make a great organization better, and to balance efficiency with effectiveness. Together, we'll meet, and exceed, the standard. As a team we'll tweak the CFSC/MWR engine and harness its horsepower to ensure our Soldiers and families receive the quality of life they need and deserve during this period of great challenge and opportunity.



John A. Macdonald  
Brigadier General, U.S. Army  
Commanding  
U.S. Army Community and Family Support Center



# Executive Summary

## MWR 101

The Army's Morale, Welfare, and Recreation programs directly support readiness by providing a variety of community, Soldier, and family support activities and services. From social, fitness, recreational, and educational activities to programs that enhance community life, foster Soldier and unit readiness, and promote mental and physical fitness, Army MWR provides a working and living environment that attracts and retains quality Soldiers.

The range of MWR activities offered at a garrison is based on the needs of authorized patrons who work and reside there. Army MWR is a \$1.6B dollar annual business with 36,000 employees serving 3.7 million authorized patrons. Activities are managed by garrison commanders and funded by authorized and available APFs and by NAFs generated locally by MWR activities.

Each MWR activity is classified into one of three DoD categories (Figure 1-1) defined by their effect on the military mission and their ability to generate revenue. Categories also define the degree to which APF support is authorized for activities. MWR activities are resourced from either APFs or NAFs or a combination of both. Army Community Service is not included in the DoD definition of MWR but is considered a "Family Program."

Common support functions are also needed to oversee all programs, such as headquarters policy and oversight, financial management and accounting, procurement, civilian personnel, and information technology. The professional MWR employees who manage these invaluable programs support Soldiers and families every day of the year to enable the Army to focus on its mission—people are our most valuable asset.

### Category A - Mission Sustaining Activities

- Considered essential to sustaining readiness, these activities generally enhance and promote the physical and mental well-being of Soldiers.
- 100 percent of expenses are authorized APF, with the use of NAF limited to specific instances where APF are prohibited by law or where the use of NAF is essential for the operation of a facility or program.

### Typical Programs / Activities

- Gymnasiums, fitness centers, fieldhouses, pools for aquatics training, and other physical fitness training
- Libraries
- Movies
- Outdoor recreation parks, picnic areas, fields, playgrounds
- Recreation Centers
- Sports (individual and unit)
- Unit (or company) Activities

### Category B - Community Support Activities

- Activities that support the Army mission by satisfying basic physiological and psychological needs of Soldiers and their families and provide the community support systems that make military installations temporary hometowns for a mobile military population.
- Authorized substantial amounts of APF support, but differs from Category A in part because of ability to generate limited NAF revenues.

### Typical Programs / Activities

- Child Development Centers
- Youth Services
- Outdoor Recreation
- Automotive Skills
- Arts and Crafts
- Entertainment
- Leisure Travel
- Cable / Community TV
- Entertainment, ticketing, and registration services
- Outdoor recreation, archery, beaches, campgrounds, hunting, fishing
- Sports above intramural (includes courts and fields)
- Swimming Pools

### Category C - Business Activities

- Activities that offer desirable social and recreation opportunities, but have less direct impact on military readiness.
- Primarily funded with NAF, these activities generally have the potential to generate NAF revenue sufficient to cover operating expenses.
- APF support authorized for Executive Control and Essential Command Supervision functions; utilities; sustainment, renovation, and modernization.

### Typical Programs / Activities

- Resale operations
- Bowling centers
- Clubs and restaurants
- Golf courses
- Armed Forces Recreation Centers
- Amusement machines
- Aquatics center
- Food, beverage, and entertainment operations
- Outdoor recreation cabins and cottages, campgrounds, marinas, rod and gun clubs, ski slopes, stables
- Skating rinks

Figure 1-1



The Army Family, for both the Active and Reserve Component, is a force multiplier and provides the foundation to sustain our warrior culture.

## MWR Board of Directors

(Top, Left to Right)

Honorable Reginald J. Brown  
Assistant Secretary of the Army (Manpower and Reserve Affairs)

General Paul J. Kern  
Commanding General, U.S. Army Materiel Command

General Larry R. Ellis  
Commanding General, U.S. Army Forces Command

General Leon J. LaPorte  
Commander, United Nations Command and Republic of Korea / U.S. Combined Forces Command, and  
Commander, U.S. Forces Korea

(Bottom, Left to Right)

General Kevin P. Byrnes  
Commanding General, U.S. Army Training and Doctrine Command

General Burwell B. Bell III  
Commanding General, United States Army Europe & 7th Army

Lieutenant General James L. Campbell  
Commanding General, U.S. Army Pacific

Kenneth O. Preston  
Sergeant Major of the Army



## Congressional Support

In the House of Representatives, oversight of MWR programs resides in the Total Force Subcommittee [subsequently renamed the "Military Personnel" Subcommittee for the 109th Congress] of the House Armed Services Committee. The subcommittee is chaired by Congressman John McHugh, longtime Chairman of the now dissolved MWR Panel, who continued his active interest in Soldiers and their families at the March 3, 2004 subcommittee hearing on Military Resale and Morale, Welfare and Recreation programs.

"Perhaps even more important to the individual warrior than his or her personal welfare is the need for a level of comfort that the family members they leave behind are secure in a quality environment at home. This is the real measure of the value of a benefit in time of war. I would submit there are few factors that contribute more to readiness and combat capability than relieving the service member of concerns about the welfare of his or her family.

It is part of the military's ethos to create a community that service members turn to for support and commissaries, exchanges, and MWR activities are critical elements of that military culture. That culture has produced the wonderful armed forces that continue to fight with courage and skill in Iraq, Afghanistan, and trouble spots around the world. The connection between these pillars of the military community and our stunning battlefield victories is very clear in my mind. Family readiness equals military readiness.

I am increasingly concerned that some people in the Department of Defense do not see commissaries, exchanges, and MWR programs in the same way as I do. There is some evidence that these programs are now seen as a drain on the budget and not worth their cost.

Let me be clear in my belief that these programs are worth every penny that we invest in them. These are powerful readiness generators and retention tools that reach into every military home. I will resist any effort to seek budget savings in these programs that result in the reduction of services or benefits."

Congress approved the Army's FY05 military construction request which included \$18.4M for a physical fitness training center at Fort Benning, Ga., and \$19.6M for two child development centers (Fort McPherson, Ga., for \$4.9M and Grafenwoehr, Germany for \$14.7M). Legislation in FY05 included language to consolidate and reorganize a wide range of sections from title 10, United States Code, and related laws concerning commissaries, exchanges, and other MWR activities.

## Policy Update

Two Rapid Action Revisions to AR 215-1, MWR Activities and NAF Instrumentalities, were published to primarily address implementation of new Installation Management Agency responsibilities. Other updated policy reflects Department of Defense issuances on special security conditions, support of military missions in foreign countries, and patronage eligibility.

## MWR Board of Directors

The MWR Board of Directors continued its strong leadership role of Army MWR. Significant decisions during FY04 were:

- **Membership on the MWR BOD Executive Committee.**  
The BOD discontinued Executive Committee membership by the Commander, Military District of Washington and maintained voting memberships by a retiree, the Director of the Army Budget, the Assistant Chief of Staff for Installation Management, and a small major Army command. Retiree and small MACOM representatives will serve 4-year terms. Medical Command will represent small/unaligned MACOMs. The BOD approved a G-1 nomination of Maj. Gen. (Ret) Whelden as the retiree representative effective Feb 04.
- **Changes to MWR BOD Financial Standards (Gumball).**  
Metrics for Management Information Systems Fielding/Utilization and Recreation Delivery System were deleted from the assessment, given that fielding is complete.
- **NAF Fund Major Construction Program.**  
An \$11M Baumholder bowling center project was removed from the FY04 NAFMC program, its funding reprogrammed to FY05, and a \$10M Vicenza project was inserted in the FY05 program. The BOD approved four self-funded IMA projects at Camp Carroll and Camp Zama worth \$15.3M and replaced a Fort Belvoir golf clubhouse expansion with a Fort Eustis golf clubhouse project. A \$24.6M FY05 NAFMC program will be reported to Congress, but no Army Morale, Welfare, and Recreation Fund monies are to be applied for design or construction until a review by the Oct 04 BOD. The BOD approved project validation assessments for seven AMWRF and seven IMA-funded projects (\$40K each).
- **Army Lodging.**  
The BOD accelerated the Lodging Capital Assessment to \$9 in FY04 (an increase of \$2) and approved FY05 financial standards for occupancy rates, average daily rates, and NIBD per occupied room night. An FY05 Army Lodging construction program of \$96.1M will be reported to Congress, but actual funding will be determined by the Oct 04 BOD.
- **Financial Management.**  
The BOD approved changing Army policy to severely restrict the use of NAF for APF requirements.
- **Thayer Hotel.**  
The CFSC will develop a strategy for the Oct 07 BOD to address potential impacts of the private developer's plan for refinancing debt in 2008.

### Active Army Family Demographics

	2003	2004	
Active Duty	79,866	80,776	Officer Enlisted Total
	413,697	413,515	
	493,563	494,291	
Family Units	282,251	279,715	
Family Distribution	86 %	87 %	CONUS OCONUS
	14 %	13 %	
% Married	70 %	69 %	Officer Enlisted Total
	49 %	48 %	
	52 %	51 %	
Dual Military	4,977	5,097	Officer Enlisted
	21,859	19,476	
Single Parents	3,693	4,075	Officer Enlisted
	34,320	33,855	
Family Members	254,739	251,420	Spouses Children/Youth Parents/Other Total
	469,069	459,634	
	3,654	3,683	
	727,462	714,737	

Figure 1-3

"... these programs occupy a critically important position in the fabric of life in the military.

These programs are the adhesive that bonds the military community together ...."

- Representative John McHugh



## MWR Strategic Action Plan

Transformation initiatives continue to impact Soldiers, their families, and the MWR programs and services provided to them. The BOD's Working Group and Executive Committee have approved a revised Strategic Action Plan developed in FY04. An Annual Performance Plan, with actions and timelines to meet performance measures, will be developed and implemented in FY05. Long-range goals and objectives must also reflect the Army Campaign Plan and transformation goals for a relevant and ready Army.

## Soldier Stationing

The Army Campaign Plan outlines the changes in our Army to cohesive and combat-ready formations to form Brigade Combat Teams/Units of Action. Restructuring to these agile, relevant, and ready forces, is taxing some installations to provide adequate housing, barracks, MWR programs (ACS, child care, and libraries have shown initial stress), and resources both in funding and human capital. IMA, with support from CFSC, is working to identify critical, "show stopper" shortfalls and ensure strategies sustain the holistic approach for attaining stability and predictability for our Soldiers and their families.

## Base Realignment and Closure

The FY02 Defense Authorization Act includes the authority to conduct an additional round of BRAC actions beginning in 2005. The Department of Defense has requested additional rounds of base closures and realignments to eliminate excess facilities that drain resources that could be applied to modernization, readiness and quality of life initiatives. A thorough analysis of Army installations is under way and Modularity will have a relevant impact on the analysis and BRAC decisions. In May 2003 the DoD began to formulate criteria to be used in collecting data needed for their recommendations. In May 2005 the Secretary of Defense will publish in the Federal Register a list of installations recommended for closure or realignment. The list will not become final until it has received Presidential approval. The U.S. Army Base Realignment and Closure 2005 Implementation Plan Guidance and a supplement to that guide, the MWR Guide for BRAC Installations, will contain all the information and guidance necessary to assist installation MWR managers in closing or realigning their activities.

## MWR Baseline Standards

The goal of baseline standards is to ensure efficient use of funding by defining common installation resource requirements for key MWR/Family programs funded with APF. Annual installation assessments focus on staffing, availability, accreditation, and equipment. Standards employ a C-rating for programs and identify funding needed to achieve a level of performance (in addition to actual FY execution). Assessments reflect the "shortfall"—the amount of resources required to improve program elements (less facility requirements) rated red (C4) or amber (C3) to a green (C1/C2). Assessment data is also "toploaded" into the Installation Status Report (Services). The FY04 assessment identified a \$193.4M requirement to improve C4 and C3 program elements to C1/C2, a 4 percent increase from FY03 and additive to \$521M executed by the field. Garrisons reported the following aggregate program ratings: C3 - Child and Youth Services; C3 - Army Community Service; C3 - Sports and Fitness; C4 - Libraries; and C4 - Community Recreation.

## Installation Status Report

The annual ISR assesses garrison base operations programs and facilities against quality and quantity standards. Ratings range from C1 (green), C2 (amber), C3 (red), to C4 (black) and are reported for programs and facilities as "Quality/Quantity" (e.g., C1/C1).

The 2004 ISR Infrastructure rating for "community" (includes MWR/family program facilities) was C3/C3. The aggregate assessment identified a cost of \$2B to fix the quality of existing facilities to C1 and a cost of \$4.7B to fix "quantity" to C1. Garrisons reported the following aggregate ratings:

- C1/C3 - Child Development Centers
- C2/C3 - Youth Centers
- C2/C2 - Recreation Centers
- C3/C3 - Physical Fitness Centers
- C3/C3 - Recreation Facilities
- C2/C3 - Outdoor Recreation Facilities (courts, fields, outdoor pools)
- C3/C3 - Army Lodging

The ISR Services aggregate MWR rating was C3 for quality—the same as 2003. Service quantity ratings are not yet assessed. Garrisons reported the following aggregate quality scores:

- C3 - Army Community Service
- C2 - Child and Youth Services
- C4 - Sports, Recreation, and Libraries programs
- C3 - Business Operations
- C2 - Army Lodging



## MWR Contingency Operations



Soldiers of the 91st Engineer Battalion enjoy some downtime with a hacky sac while deployed in support of Operation Iraqi Freedom II.  
- Photo courtesy of 91st Engineers Battalion website

As the Global War on Terrorism evolves, Commanders continue to call on MWR to support their Soldiers. Army MWR delivers recreation, sports, and entertainment programming and equipment to deployed Soldiers that reduces battle fatigue, stress, and homesickness, while also taking care of Soldier families back home. In FY04, the CFSC Community Recreation staff coordinated with Coalition Forces Land Component Command, Multinational Forces-Iraq, and Coalition Forces Command-Afghanistan to purchase and deliver \$18.7M in MWR equipment, supplies, and services to Iraq, Afghanistan, Uzbekistan, and Kuwait, meeting the requirements of commanders and improving the quality of life for Soldiers and civilians deployed in support of OEF/OIF.

In coordination with the Space and Naval Warfare Center-Europe, CFSC purchased commercial site licenses and equipment for internet café facilities for every major troop site in Iraq. Each café provides Soldiers with free access to e-mail, distance learning opportunities, and internet services—meeting the top MWR priority identified by Soldiers.

Centrally-purchased equipment was used to establish 25 large and 22 small fitness and recreation facilities in Iraq, three large and five small locations in Afghanistan, and two large and five small locations in Kuwait. Recreation facilities offer theaters, electronic games stations, traditional board games, ping-pong and paperback book libraries, while fitness facilities offer self-powered aerobic machines, dumbbell sets, cardiovascular and strength training equipment and assorted free weight equipment.

At the unit level, 900 paperback book kits were delivered every month to units deployed to OEF/OIF, in addition to new audio books, magazine subscriptions, music CDs, and *The Army Times* and *Stars & Stripes* publications.

The Army MWR Emergency Essential Civilian program ensures that MWR professionals are ready when needed—150 MWR specialists are available for six-month deployments around the globe. In 2004, ten civilian specialists deployed on six-month tours to support OIF/OEF: four in Afghanistan, four in Kuwait, and two in Qatar. In addition, six CFSC personnel traveled to Kuwait and Iraq to assist CFLCC with a Rest and Recuperation program and to identify, develop, and implement in-theater distribution planning for MWR requirements.

Soldiers participating in R&R return to various points of entry in the U.S. Many Soldiers need overnight lodging at airports due to flight scheduling issues either upon return to the U.S. or when returning to the theater of operations. The Army Lodging program supported CENTCOM R&R by managing hotel requirements; from November 2003 to September 2004, 22,500 Soldiers were accommodated, transported, and fed while in transit.

## MWR Research

Strengthening MWR programs and services pays off in Soldiers and families better able to cope and adapt to Army demands. The CFSC uses many channels to obtain demographic, social-psychological, and community findings with policy and program implications. Recent findings are summarized below, with more information available at: [www.research.ArmyMWR.org](http://www.research.ArmyMWR.org).

### MWR and Readiness Links

Caliber Associates reviewed post-1995 military and civilian studies on athletics, outdoor recreation, family services/activities, and general MWR and concluded that MWR programs affect Soldier and unit readiness directly and indirectly.

#### Direct Links from MWR to Readiness

- MWR programs relate to most aspects of individual and unit readiness, including fitness, discipline, commitment, and preparedness.
  - MWR recreation and athletic programs relate to fitness.
  - MWR directly links to family readiness. Frequent use of MWR among Army family members relates to higher levels of personal and family adjustment.
- #### Indirect Links from MWR to Readiness
- MWR programs are related to satisfaction with military life.
  - Family services/activities are related to satisfaction with military life and family adaptation.
  - Family readiness and family adaptation influence individual and unit preparedness.
  - Job satisfaction relates to motivation/effort and commitment.
  - Unit cohesion relates to motivation, and motivation to commitment.

MWR programs also increase readiness through “perceived organizational support”—an individual’s belief about the organization’s commitment to its members. Perceived organizational support is linked to increased discipline, motivation/effort, job satisfaction, and commitment, including intent to reenlist. “Efficacy” refers to the beliefs held by an individual or a group about their ability to complete a task. Those reporting higher self-efficacy react better to physical and psychological stress and contribute greater effort. MWR programs/activities that increase Soldiers’ knowledge, skills, and abilities very likely increase their personal and collective efficacy (Figure 1-4).

### Linkages Between Efficacy, MWR, Intermediate Outcomes, and Readiness Dimensions

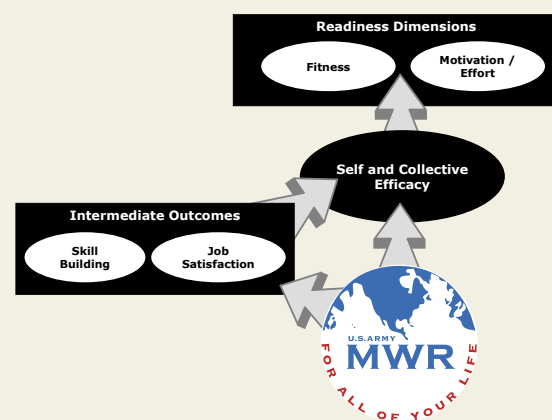


Figure 1-4

## Well-Being (Quality of Life) Issues

In the *Fall 2003 Sample Survey of Military Personnel* all MWR items had high levels of officer and enlisted satisfaction and compared favorably with key QOL factors (availability of government housing, basic pay, and retirement benefits). Except for availability of child care programs (officers) and availability and quality of child care programs (enlisted), all MWR items were in the top half of 56 measured, and half of the measured MWR items were in the top ten for enlisted personnel (Figure 1-5). Findings are from garrison Soldiers; unlike other SSMPs, the *Fall 2003 SSMP* was not conducted among Soldiers deployed for OIF/OEF and was not targeted at Soldiers who had returned from a war theater or were preparing for deployment to a war theater.

## Support During Operation Iraqi Freedom

In a DoD Survey Note, "Status of Army, Active and Reserve, Participants in OIF" (April 2004), which is based on a *July 2003 Status of Forces Survey of Active Duty Personnel*, 87 percent of Army active duty Soldiers who were OIF participants reported receiving pre- and postdeployment support services—13 percentage points higher than the DoD total (74 percent) for service members in general. The majority of Soldier OIF participants (87 percent) knew where to go for help for problems. In the *September 2003 Status of Forces Survey of Reserve Component*, 83 percent of OIF Army Reservist participants reported receiving such services. Army National Guard and Reserve members reported that the services helped them adjust to returning home (62 percent) and returning to their spouse or significant other (55 percent). The majority (87 percent) reported knowing where to go for help if they began to experience difficulty adjusting to their permanent duty station and/or family life.

## Building Strong Communities for Military Families

A National Council on Family Relations Policy Brief prepared in April 2004 for Congress included the following strategies for building strong "communities" for military families:

- Develop formal relationships among local public, nonprofit, and business organizations and military community leaders.
- Build informal relationships among military families and between military and nonmilitary families and provide military families meaningful opportunities for civic engagement.
- Increase prevention and outreach efforts to promote and sustain resilient military families, especially families in known high-risk categories or situations.

Findings from the *2001 Survey of Army Families IV* were incorporated into the briefing to demonstrate that Army MWR programs have a positive effect on family adjustment (36 percent improvement), but they have a much more powerful effect when used in conjunction with support provided through a network of connections including a strong marriage (189 percent improvement), perceived leadership support (24 percent improvement), work unit support (15 percent improvement), and friendship support (11 percent improvement).



Ontario, California

Christy Sparks, 8, hugs her father, Sgt. Thomas Sparks, before his unit deployed to serve a year in Guantanamo Bay, Cuba.

- Photo courtesy of the Inland Valley Daily Bulletin

## Army Spouse Ethnicity and Coping

A CFSC study based on *2001 Survey of Army Families IV* data (female spouses only) examined whether certain factors (age, education, marital satisfaction, financial problems, social support, etc.) associated with coping with everyday life stresses vary according to ethnic background. Three common predictors applied to all spouses: the higher the number of problems experienced, the lower the spouse's daily functioning; the more the spouse keeps herself informed about the Army, the better her daily coping; and the greater the demands the Army places on the families, the lower the spouse's daily coping score. The study suggested that positive spouse coping within ethnic groups varies based on the spouse's perception of the military's concern for family and close friends; her concern for patriotism (the "Soldier's and spouse's satisfaction with the Soldier's opportunity to serve their country"); and the opportunity to advance her life goals and with her Soldier's military job security.

## Future Studies and Surveys

- The *2004 Survey of Army Families V*, an Armywide survey of spouses of active duty Soldiers, was fielded in September 2004. Survey results are expected in spring 2005.
- The USACSCF contracted to update *What We Know About Army Families*, a compendium of research findings and recommendations for policies, programs, and practices derived from findings.
- Originally published in 1993, the DoD's July 2005 *Status of Forces Survey* will contain a section on MWR programs.
- RAND's study of the *Challenges of Military Spouse Employment* is scheduled to be published in 2005.

Fall 2003 Sample Survey of Military Personnel					
Rank Order	Officer Satisfaction (% Satisfied/Very satisfied)		Rank Order	Enlisted Satisfaction (% Satisfied/Very satisfied)	
1	Job security	89%	1	Job security	86%
12	Quality of recreational services	77%	5	Availability of Army youth services	74%
13	Availability of Army family programs	77%	6	Availability of Army family programs	73%
15	Quality of Army youth services	76%	7	Quality of Army youth services	73%
15	Quality of Army family programs	76%	10	Quality of Army family programs	72%
16	Availability of recreational services	76%	12	Quality of recreational services	69%
18	Availability of Army youth services	75%	13	Availability of recreational services	68%
28	Quality of Army child care programs	69%	32	Quality of Army child care programs	60%
40	Availability of Army child care programs	61%	38	Availability of Army child care programs	54%

Figure 1-5





The North Carolina National Guards' 210th Military Police Company returns home from Iraq to families that had been waiting for them for 15 months.  
- Photo by Tech Sgt Brian E. Christiansen

DoD Fiscal Standards: Metrics						APF as Percentage of Total Expenses	
Army MWR Operating Funds							
	FY99	FY00	Army Actual			DoD Metric	
			FY01	FY02	FY03	FY04	Minimum
Category A	88%	90%	90%	91%	92%	93%	85%
Category B	64%	66%	66%	67%	69%	71%	65%

Figure 1-7

Critical Financial Indicators					
Army MWR Operating Funds					
	FY01	FY02	FY03	FY04	
% AMWRF Loan to Field NAFI Deposits	50%	43%	37%	18%	
Field NAFI Cash to Debt Ratio	1.1:1	1.1:1	1.3:1	1.4:1	
Total Army NAFI Cash to Debt Ratio	0.8:1	0.8:1	1.2:1	1.2:1	

Figure 1-8 Figure 1-8

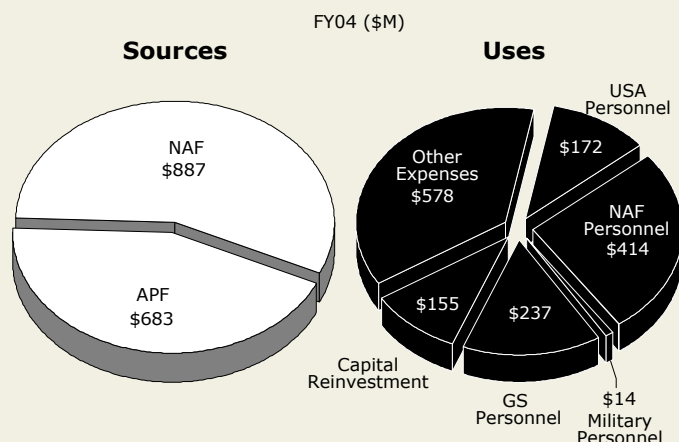
## Financial Overview

### All Army MWR Operating Funds

Field operating MWR programs and NAF instrumentalities, the Army Recreation Machine Program, and the Army MWR Fund comprise Army MWR operating funds. Collectively, \$1.6B in total APF and NAF funding supported FY04 operating and capital requirements worldwide—a \$131M increase from FY03. For APF, a \$104M increase was primarily due to supplemental and Defense support for MWR programs supporting the Global War on Terrorism. Over \$76M was obligated in FY04 for this effort, a \$57M increase. Without GWOT funding, APF support still increased 8 percent from FY03, primarily in Operation and Maintenance, Army; and a \$7.3M increase in Military Construction, Army.

For NAF, revenue increased \$26.6M over FY03. Major increases were seen in operating income (user fees). Sales were relatively stable despite deployment, showing a \$2.9M increase. The Army and Air Force Exchange payments to the Army amounted to \$128M, a \$4.1M increase over FY03.

Figure 1-6 shows total FY04 funding support and uses. The ratio of APF to NAF support was 44 percent to 56 percent, respectively. The APF share rose 3 percentage points from FY03, primarily due to funding for MWR support for GWOT. The major use of funds continues to be personnel, at 53 percent of the total (no change from FY03). After operating costs, \$155M was available for capital requirements—\$14M more than FY03, half of which was due to an increased MCA support.



NOTE: NAF is net of USA funding: \$193M; Military Personnel, Army includes \$2.5M for NG Personnel, Army

## MWR is Big Business - \$1.6 Billion

Figure 1-6

### DoD Funding Metrics

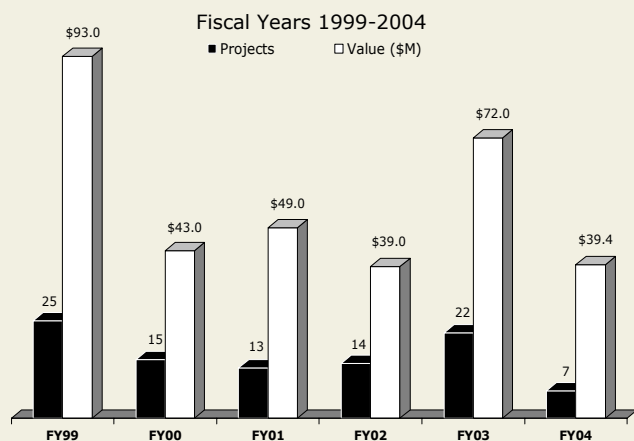
In November 1995, DoD published fiscal standards for MWR requiring that, regardless of category, 100 percent of authorized costs are funded with APF. Metrics to measure these standards allow for incidental program related resale operations that are not authorized APF. The metrics focus on the relationship of APF and NAF operating support for Category A (Mission Sustaining Programs) and Category B (Basic Community Support). They exclude costs of goods sold and depreciation. For Category A, the minimum standard is 85 percent APF and 15 percent NAF. For Category B, the minimum ratio is 65 percent APF and 35 percent NAF.

The Army supports these standards. MWR long-range fiscal planning is based on matching the right funding source with APF/NAF requirements, and the MWR BOD established tracking mechanisms to ensure proper execution. MWR is now in its tenth year of monitoring these standards. Figure 1-7 illustrates FY04 results. Army MWR reported Category A APF rising from 92 percent in FY03 to 93 percent in FY04 and Category B rising from 69 percent in FY03 to 71 percent in FY04. The increase can largely be attributed to increased supplemental and Defense funding for MWR support to GWOT.

### Critical Indicators

The MWR BOD uses many tools to monitor MWR operating funds and evaluate the program's collective health. Two major "critical indicators" are the cash-to-debt ratio of the collective funds and the relationship of the outstanding AMWRF loan to the Army Banking and Investment Fund with field NAFI cash deposits. For the cash to debt ratio, the BOD reviews the total Army's cash in the ABIF, excluding the loan, versus liabilities due and payable at specific points in time throughout the fiscal year. These actual indicators are then compared with the plan to ensure the Army is on track.

As of 30 September 2004, the Army's collective MWR operating cash to current field liabilities was 1.4:1 (Figure 1-8). The AMWRF loan ratio to field cash deposits was 18 percent, dropping 19 percentage points from 30 September 2003. This positive change is largely due to the AMWRF paying down the loan by \$42M after having received prior year APF funding for MWR/USA requirements. Strong ending ABIF field balances also contributed to the positive change.



## MWR Construction Program

Figure 1-9



Stuttgart, Germany

The new bowling center in Stuttgart offers patrons the latest in high-energy fun.  
- Photo courtesy of 6th ASG MWR Marketing

## Construction

The CFSC assists Army Installations worldwide in programming, designing, and executing NAF major construction projects (over \$750K), capital purchase minor construction projects (under \$750K), and AFRC construction and public-private venture projects. Interior and food service design supports installation initiatives and development of theme restaurant concepts. By installation request, the CFSC also provides project management to execute minor construction projects and assists installations in partnering with private entities to provide revenue generating facilities and services through the public-private venture program. All services are provided at no cost to installations.

In FY04 Army MWR delivered seven NAF construction projects valued at \$39.4M and 31 capital purchase and minor construction projects valued at \$7.6M (Figure 1-9). The Army has 25 projects valued at \$101.4M ongoing at 11 installations in CONUS, Europe, Korea, and Japan. Additionally, 101 design/minor construction support projects are projected at 52 different locations. Congress approved 12 NAF major construction projects with a total value of \$106.4M for the FY05 program. Over a five-year period the Army has supported MWR with 81 major construction projects valued at \$398.5M.

This year the AFRCs held two grand openings: one for the expanded Shades of Green in Orlando, Florida in March and the other in October for the new Edelweiss Lodge and Resort in Garmisch-Partenkirchen, Germany. The Shades of Green expansion added 299 guestrooms to the existing 288 guestrooms. Other significant additions included a five-level parking garage, two unique restaurants, a ballroom, a fitness center, and a new lobby. The new 330 guestroom Edelweiss Lodge and Resort replaced several aging smaller facilities in Chiemsee and Garmisch. The new facility includes two specialty restaurants, a state-of-the-art conference center, a business center, a physical fitness facility with an indoor pool and hot tub, underground parking, and one of the most beautiful locations in the world. Both facilities are operating at near capacity providing hospitality, entertainment, and opportunities for adventure, rest, and relaxation for Soldiers and their families.

## Public-Private Ventures

The goal of the Army's MWR public-private venture program is to secure private sector expertise to deliver facilities and services and decrease the burden on Army funds. The CFSC's Asset Management/Privatization Office facilitates the process and awards PPV contracts for Category C MWR facilities, benefitting commanders who need an MWR facility but lack the funding to provide a needed service to Soldiers and families.

Garrison commanders engage PPVs as the tool to marry installation needs with private developer expertise to build a needed MWR facility. With the developer bearing the responsibility for construction, maintenance and repair, as well as management of the facility, commanders are able to focus on core mission requirements. Continued improvements in the PPV process are another key reason why commanders are looking to the PPV program. The newest enhancement to the program was the approval to request 'in-kind' consideration for the services that the developers provide in lieu of the fair market value rental payment they would pay for the lease of the land. This can be a substantial savings which we hope will make developers interested in pursuing partnerships with the Army and either improve profit margin or reduce prices to MWR patrons.

The success of seeking private partners is evident by the \$33M in construction dollar savings for the six facilities in operation at the end of FY04. In addition, these six ventures infused over \$48K in revenue back to the installations hosting the partnerships. The total revenue received for these projects from FY99-04 is \$533K. One new project opened in FY04 representing \$500K in cost savings to the Army. Two new projects were in the construction phase and another in the pre-award phase, which will bring an additional \$5.9M in NAF construction savings. The PPV program continues to grow with 22 more projects in varying stages of development worth approximately \$58M in cost savings for the government. The future of the program is limitless as the MWR PPV process continues to evolve and change in its attempt to keep pace with the trends in privatization efforts within the government. Continual reviews in the process and changes to improve the program will aid in making the program more attractive to garrison commanders and enhance the private sector interest in partnering with the Army.

Army MWR also supports other military services by executing construction projects on a reimbursable basis. In FY04, the Army received \$495K for support to the Navy, the Navy Exchanges, and the Marine Corps.

# Audit



Sgt. Jason Caldwell and Spc. Mustapha Kahlouch search for a winning strategy at the 2004 All-Army Chess Championship.  
- Photo by Kris D'Alessandro

## Process

Auditing standards issued by the Comptroller General of the United States require that the auditors plan and perform these audits to obtain reasonable assurance that the financial statements are free of material misstatement. Audits include examining—on a test basis—evidence that supports the amounts and disclosures in the financial statements. Audits also assess accounting principles used, significant estimates made by management, and the overall financial statement presentation. The auditors believe their audits provide a reasonable basis for their unqualified opinion. Annual audits of the Headquarters, Department of the Army nonappropriated funds are required by DoD Instruction 7600.6.

Audits are conducted annually by independent commercial auditors. The financial audits included the balance sheets, statements of operations, changes in fund balances, and cash flows for the year ending 30 September 2003. An unqualified audit opinion was rendered for the following funds:

- Army Morale, Welfare, and Recreation Fund
- Army Central Insurance Fund
- Army Banking and Investment Fund
- Hospitality Cash Management Fund
- Army NAF Employee Retirement Plan
- Army Medical Life Fund
- Army NAF Employee 401(k) Savings Plan
- Army Lodging Fund
- Army Recreation Machine Trust and Operations Fund
- Armed Forces Recreation Centers  
(Europe, Korea, Orlando, and Hawaii)

Financial audits of these funds for FY04 are in progress.

The following U.S. Army Audit Agency audits were reported to the MWR BOD's Audit and Executive Committees:

### MWR Category C Installation Operations

USAAA issued several reports during FY04 on audits performed at selected installation MWR Category C operations with continuous net operating losses. As a result, USAAA made recommendations to change operations to improve financial performance. The Installation Management Agency established an MWR Category C Business Performance Improvement Program on 30 November 2004 that requires operations unable to achieve profitability to either change operations or close. Operations are placed in the program when losses exceed \$35K over four quarters. Operations in the program will be reviewed semiannually at the end of the second and fourth quarters and will remain in the program for a minimum four quarters. Operations may be removed from review by the Director, IMA based on profitability over four quarters, closure, or a waiver.

### Audit of Army Lodging Overhead Costs

USAAA performed a multilocation audit on Army Lodging overhead costs in FY04. USAAA found that to some extent MWR activities had implemented procedures that identified overhead support costs provided to lodging activities. However, some methods MWR activities used resulted in inequitable cost allocations to Lodging. The Army agreed with recommendations made by USAAA, and CFSC FY05 operating guidance addressed many problems identified in the report. The next revision of AR 215-1 will include Army Lodging Policy as a separate chapter and will incorporate all USAAA recommended actions. Publication of the revision is expected during the fourth quarter of FY05.



Army Capt. Matt Smith (left) and civilian team mates win a bronze medal in the 2003 FISA rowing championships in Milan, Italy.  
- Photo by Joel Rogers

## Work Years

Time spent by USAAA and Army Internal Review offices auditing NAF decreased from FY03 to FY04 from 51 to 46 work-years.

Internal Review audit time decreased from 33 to 29, and USAAA time decreased from 18 to 17 work-years.

**NAF Audit Work Years**  
Fiscal Years 2003-2004

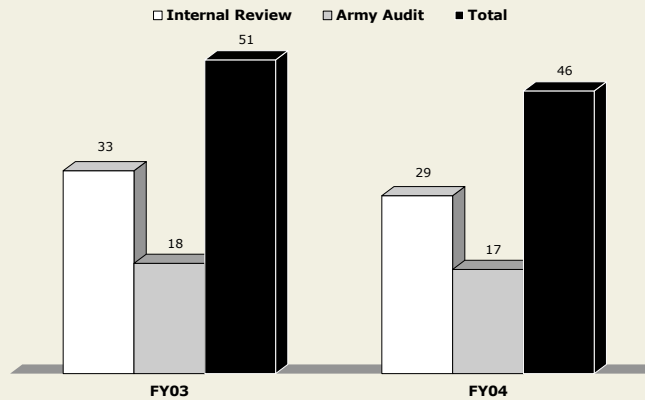


Figure 2-1

# Financials



Soldiers of the 1/501<sup>st</sup> Parachute Infantry Regiment and other Coalition Forces compete in sporting events in Salerno, Afghanistan on Independence Day 2004.  
- Photo Staff Sgt. Vernell Hall

## Total MWR Operating Funds

Army MWR corporate finances are the combined total performance from field operating NAFIs, the ARMP, and the AMWRF. The Executive Summary of this report shows how these elements, in the aggregate, performed from FY03 to FY04.

This section reviews field operating results for the same period. The remainder of this section addresses individual Headquarters Department of the Army funds managed at the CFSC and presents a summarized balance sheet and a summarized statement of income and expense which support the analysis in the Executive Summary.

## Direct Appropriated Fund Support

The Management Decision Execution Packages that directly support MWR and Family programs reflect execution at 130 percent of the Army Budget Office's initial FY04 funding, and 104 percent of that funding when combined with IMA programming actions.

Figure 3-1 displays the individual MDEP's execution record for the year. With the exception of Youth, all MDEPs reflect obligations equal to or in excess of the combined ABO/IMA funding—clear evidence of the high priority these programs received from garrison commanders.

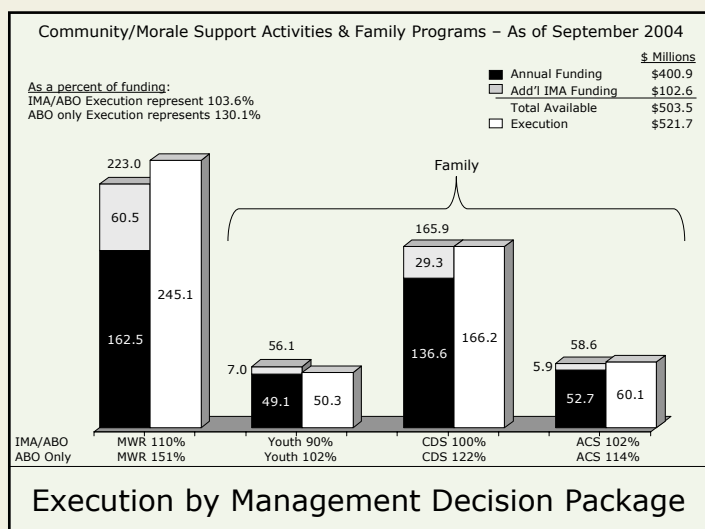


Figure 3-1



FY	MWR BOD NIBD Standard As % of Total Revenue	Actual NIBD \$M	% Net Total Revenue (Less USA)	Capital Reinvestment Assessment As % of Total Revenue	Cash Generation Standard (NIBD+CRA)	Actual Cash Generated
96	5 %	\$ 65.1	7.8 %	2 %	7 %	9.8 %
97	5 %	\$ 75.8	8.9 %	3 %	8 %	11.9 %
98	7 %	\$ 66.9	8.8 %	2 %	9 %	8.8 %
99	8 %	\$ 88.6	11.4 %	2 %	10 %	11.4 %
00	8 %	\$ 116.7	14.3 %	2 %	10 %	14.3 %
01	8 %	\$ 117.1	14.7 %	2 %	10 %	14.7 %
02	8 %	\$ 103.8	13.5 %	* 2 %	10 %	13.5 %
03	8 %	\$ 91.6	12.1 %	* 2 %	10 %	12.1 %
04	8 %	\$ 99.4	13.0 %	0 %	8 %	13.0 %

\* AFRCs pay 3% \*\* All CRA payments cease in FY04 except AFRCs

Figure 3-3

Functional NAF Operating Results		Army Average Data Adjusted for Base Closure					
	\$ M	FY99	FY00	FY01	FY02	FY03	FY04
<b>Income Generators</b>							
Category C Programs	64.8	71.8	55.0	51.1	45.9	53.1	
External Revenue	129.8	146.4	159.8	154.2	144.5	124.7	
Subtotal	194.6	218.2	214.8	205.3	190.4	177.8	
<b>Income Users</b>							
Category A Programs	-5.2	- 4.1	- 4.2	- 3.9	- 3.2	- 4.7	
Category B Programs	3.7	6.9	6.9	7.4	8.7	10.1	
Overhead Expense	-89.4	- 88.5	- 85.2	- 89.1	- 88.7	- 80.1	
Capital Reinvestment Assessment	-15.1	- 15.8	- 15.2	- 15.9	- 15.6	- 3.7	
Subtotal	-106.0	- 101.5	- 97.7	- 101.5	- 98.8	- 78.4	
NIBD	88.6	\$ 116.7	\$ 117.1	\$ 103.8	\$ 91.6	99.4	
% of Net Revenue	11.4%	14.3%	14.7%	13.5%	12.1%	13.0%	

Figure 3-4

## Nonappropriated Funds

For FY04, Armywide field MWR Funds reported net income before depreciation of \$99M (13 percent of net revenue) compared to \$91.6M net income (12.1 percent of net revenue) for FY03.

Figure 3-2 reflects the level of NIBD earned in FY04, which exceeds the MWR BOD NIBD standard by 5 percentage points. Net revenue for FY04 was \$765M—\$10M more than that reported for FY03.

Figure 3-3 shows the Army exceeding MWR BOD standards for nine consecutive years.

Figure 3-4 depicts the field's NAF operating results by category. Category B continues to show steady improvement. Category A fell off a positive trend, requiring \$1.5M more support than FY03. Category C also showed a decline in profitability. On a more positive note, the cost of NAF overhead declined \$8.6M in FY04 versus the previous year.

Figure 3-5 displays the sources of nonoperating income for the field. With the exception of the guest house payback, all categories executed last year's payments.

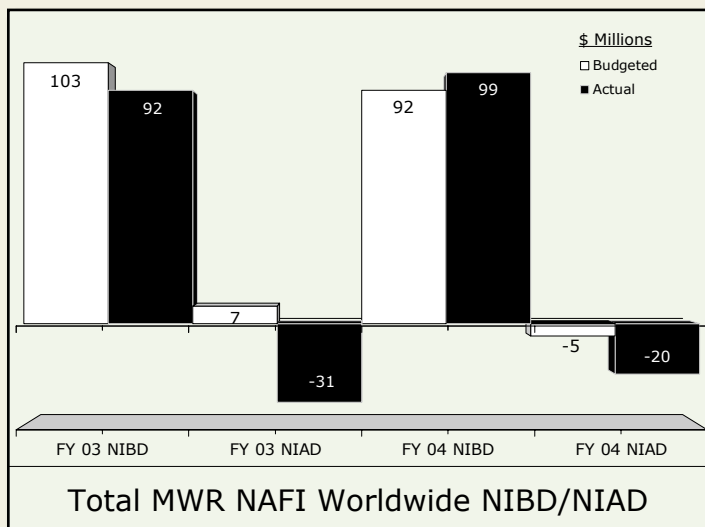


Figure 3-2

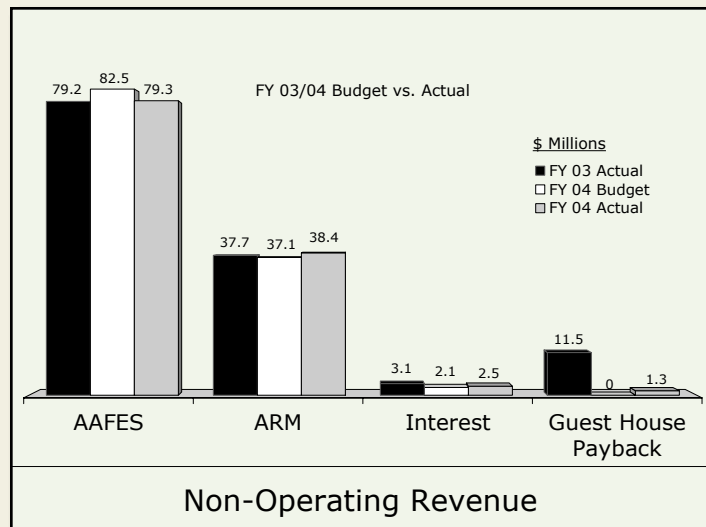


Figure 3-5

## Army Operating Funds

This section addresses individual Headquarters, Department of the Army funds managed at the CFSC and presents a summarized balance sheet and statement of income and expense.

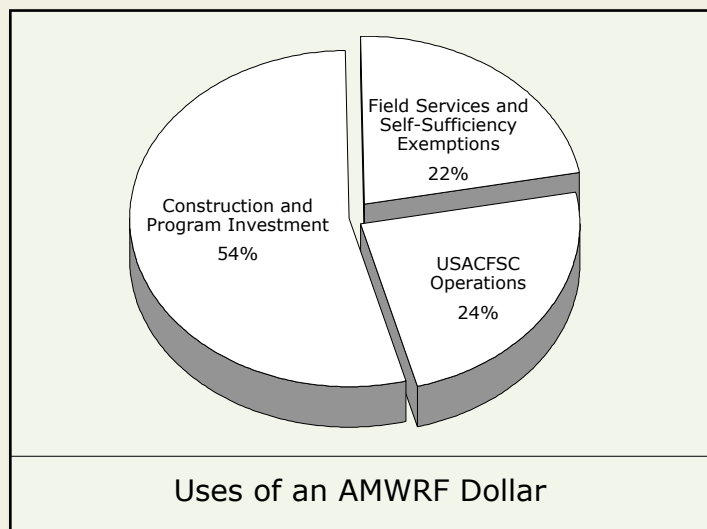


Figure 3-6

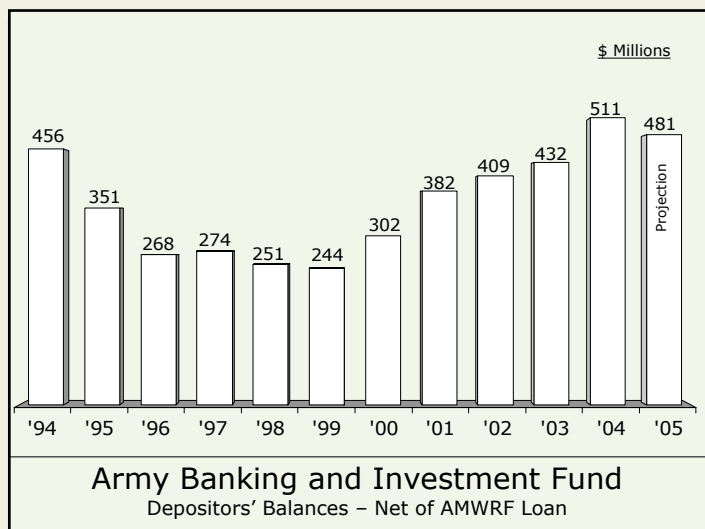


Figure 3-7

### Army Morale, Welfare, and Recreation Fund

This is the MWR Board of Directors' eleventh year of financing strategies to modernize the MWR NAF physical plant and finance Armywide program investment initiatives. The long-range plan redirected field NAFI revenue to the AMWRF for worldwide application and authorized borrowing from the Army Banking and Investment Fund.

In FY04, this plan paid out \$22M for regular construction, \$6.5M for management information system support, and \$10M for other program investments, such as master training, interns, patron surveys, and marketing research. The next allocation is for field exemptions and services, such as self-sufficiency exemption dividends, capital purchase and minor construction grants, Army Sports, and Better Opportunities for Single Soldiers. The fund also supports a portion of the NAF administration budget for CFSC. Figure 3-6 shows how the AMWRF dollar was allocated in FY04.

### Army Banking and Investment Fund

The Army Banking and Investment Fund manages a pool of U.S. Government securities on behalf of participants and pays interest based on portfolio earnings. During FY04, the ABIF provided cash management and investment services to 400 Army and DOD entities. Participants earned a compounded rate of 1.90 percent on their average deposited balance. During the year, the ABIF distributed \$8M as interest income. Invested cash rose from \$432M to \$511M from FY03 to the end of FY04 (Figure 3-7).

### Army Central Insurance Fund

The Army Central Insurance Fund provides comprehensive property and casualty insurance through a self-insured program for all NAF programs. The ACIF purchases commercial property insurance as reinsurance against catastrophic loss. During FY04, the trend of catastrophic losses caused by flood and windstorm continued, resulting in claim payments for damage to NAF buildings and contents totaling \$3M. Accidents causing damage to NAF operated vehicles resulted in losses of \$307K. Losses resulting from the theft or robbery of NAF money and securities resulted in claim payments of \$191K. The cost of general and vehicle tort claims for bodily injury and property damage due to negligence amounted to \$555K. The increased cost of workers' compensation claims resulted in an increase in the rate charged to CONUS installations for FY04. The increased cost of unemployment compensation for FY04 resulted in payments of \$2.6M to former NAF employees. The ACIF had a net operating loss of \$1.9M for the year. This loss is directly attributable to the increase in self-insured claims expense and the increase to the actuarial reserves required for workers' compensation claims.

### Army Recreation Machine Trust Fund

The Army Recreation Machine Trust Fund administers the Army Recreation Machine Program operating profits. In FY04, the ARMTF received \$64.8M in profit distribution, a \$0.5M decrease from FY03. Major uses of cash in FY04, on a cash flow basis (which includes cash on hand at the beginning of the year) were \$64M in shared distributions and \$5M for internal ARM operations capital expenditures.

US Army NAF Retirement Fund				
Asset Class	FY03		FY04	
	Amount \$M	Percent %	Amount \$M	Percent %
Common Stock	\$ 374.0	67 %	\$ 435.2	71.0 %
Bonds and Debentures	136.6	25 %	136.6	22.3 %
Cash and Equivalents	23.5	4 %	17.6	2.9 %
U.S. Government Securities	7.3	1 %	9.4	1.5 %
Insurance Contracts	15.8	3 %	13.8	2.3 %
Total	\$ 557.2	100 %	\$ 612.6	100 %

Figure 3-8

US Army NAF Employee 401(k) Fund			
Investment Fund	Avg Total Returns Period Ending 30 Sep 04		
	1 Year	5 Years	Life of Fund
Retirement Money Market	0.87 %	2.97 %	4.71 %
U.S. Bond Index	3.88 %	7.51 %	8.01 %
Asset Manager	6.00 %	3.37 %	9.92 %
Spartan Equity	13.69 %	-1.45 %	11.47 %
Dodge and Cox	20.49 %	11.38 %	12.00 %
Overseas	15.67 %	-1.20 %	12.23 %
Growth and Income	11.16 %	-0.50 %	13.53 %
T. Rowe Price	19.98 %	10.90 %	13.54 %
Growth Company	8.16 %	-1.24 %	13.99 %

Figure 3-9

## Army Central Retirement Fund

The ACRF represents the total of employee and employer contributions and investment earnings on those contributions (plan assets) for the U.S. Army NAF Employee Retirement Plan. The fund pays accrued benefits to participants and their survivors as determined by a formula based on salary and years of service when they are eligible for retirement.

As of 1 October 2004, the date of the last actuarial valuation, the value of benefits that participants have earned to date (actuarial present value of accumulated plan benefits) was \$585M. This is the amount required to satisfy all plan obligations if terminated today. The market value of assets available on 1 October 2004 was \$612.6M, compared to \$557.2M on 1 October 2003. These assets were invested as shown in Figure 3-8. The return on investment earned by these assets for the year ending 30 September 2004 was 12.4 percent.

A more important measure of the plan's financial health is its ability to meet obligations for benefits that will be earned in the future. An enrolled actuary makes these computations annually. As of 1 October 2004, the total actuarial accrued liability was \$652.6M compared with \$587M one year before, with the actuarial value of assets at \$637.6M. This represents the continued strength of the fund, notwithstanding the generally unfavorable status of investment markets.

Retirement plan assets are in a trust fund that can only be used to provide benefits to participants as authorized by the plan. Five trustees are responsible for investing assets in authorized investments such as stocks, bonds, real estate, and government instruments. Assets are invested so that, over time, the return on investment meets the long-term assumptions on which the plan is based. The plan paid NAF retirees and their beneficiaries \$28.4M in FY04 including a 2.1 percent cost of living increase beginning 1 April 2004.

## Army Medical / Life Fund

The Army offers health, dental, and life insurance benefits to its regular NAF employees as a participant in the DOD Uniform Health Benefit Plan. The AMLF collects premiums from employers and employees based on participant enrollment in the health benefits options. Alternatively, employees may elect health benefits coverage through health maintenance organizations in some locations. Claim expenses for the DODHBP are satisfied by direct disbursements to affiliated medical service providers after the plan takes its discounts. When services are provided from outside the network or for any dental claims, participating employees are reimbursed directly. In order to preserve the tax-preferred status of life insurance benefits, the Fund reimburses a contracted insurance carrier for benefits paid to beneficiaries of deceased participants in the life insurance program.

## 401(k) Savings Plan

The US Army NAF 401(k) Savings Plan continues to be a valuable benefit for employees who are working to achieve financial security. The total individual 401(k) Savings Plan account balances were \$209.3M, an increase of \$38.7M (23 percent) from the previous year. This substantial increase was a result of increased contributions, which were allowed under the Economic Growth and Tax Relief Reconciliation Act, coupled with a steady rebound of the stock market.

Figure 3-9 shows investment returns for the nine funds available to employees as investment options. Participation in the US Army NAF Employee 401(k) Savings Plan continues to grow. As of September 30, 2004, there were 10,658 active participants—62 percent of eligible employees. This 6 percent enrollment increase reflects the continuing efforts of personnel managers in promoting participation in the plan.

## Summarized Balance Sheet

Below is the summarized balance sheet (Figure 3-10) for the Army MWR Operating Funds.

The collective financial position as of 30 September 2004 reflected a current ratio of 1.9:1 versus 1.6:1 at the end of FY03. Total cash to current liabilities was 1.2:1 compared with 1.4:1 on 30 September 2003.

Major changes were reflected in cash (-\$20.4M) and receivables (+\$33M). The drop in cash reflects investment in capital expenditures beyond the annual generation of cash and the reduction of other current liabilities. The increase in receivables reflects increased MWR Utilization, Support and Accountability income receivables due from the government for services rendered by the NAF system. The increase in fixed assets offset by the decline in other assets is largely attributed to the completion of AFRC projects and subsequent reclassification of the value of the projects from local contributions for major construction to fixed assets.

Long-term liabilities increased by \$11.2M primarily due to the AFRC properties obtaining an interest bearing loan from the Army Banking and Investment Fund.

### Summarized Balance Sheet: Army MWR Operating Funds

		30 Sep 03	30 Sep 04	Change
<b>Assets</b>	<b>Current Assets</b>			
	Cash/Investments	208,371,679	188,001,912	- 20,369,767
	Receivables	60,828,479	93,782,465	32,953,986
	Inventories	22,142,405	24,592,503	2,450,098
	Prepaid Items	<u>9,617,217</u>	<u>9,043,382</u>	- 573,835
	Total Current Assets	300,959,780	315,420,262	14,460,482
	<b>Fixed Assets</b>	2,223,750,864	2,481,021,397	257,270,533
	(Less) Accumulated Depreciation	<u>1,092,678,738</u>	<u>1,168,124,052</u>	<u>75,445,314</u>
	Book Value Fixed Assets	1,131,072,126	1,312,897,345	181,825,219
	<b>Other Assets</b>			
	Capital Commitment/Sinking Funds	8,722,943	2,898,584	- 5,824,359
	Separation Sinking Funds	1,911,091	1,665,171	- 245,920
	Other	209,911,822	49,841,791	- 160,070,031
<b>Total Assets</b>		<b>\$ 1,652,577,762</b>	<b>\$ 1,682,723,153</b>	<b>\$ 30,145,391</b>
<b>Liabilities</b>				
	<b>Current Liabilities</b>			
	Accounts Payable	30,871,593	38,588,807	7,717,214
	Other	<u>156,769,297</u>	<u>124,525,862</u>	- 32,243,435
	Total Current Liabilities	187,640,890	163,114,669	- 24,526,221
	<b>Total Long Term Liabilities</b>	<u>158,955,537</u>	<u>170,140,168</u>	<u>11,184,631</u>
	<b>Total Liabilities</b>	346,596,427	333,254,837	- 13,341,590
	<b>Fund Equity</b>	<u>1,305,981,335</u>	<u>1,349,468,316</u>	<u>43,486,981</u>
<b>Liabilities and Fund Equity</b>		<b>\$ 1,652,577,762</b>	<b>\$ 1,682,723,153</b>	<b>\$ 30,145,391</b>

Figure 3-10

## Summarized Income and Expense Statement

Figure 3-11 illustrates the statement of FY04 APF and NAF operations compared with FY03. The NAF revenue and expenses transacted through MWR/USA have been eliminated from this display in order to preclude overstatement of combined APF and NAF support. In FY04, \$193.8M was executed using MWR/USA compared to \$142.6M in FY03.

Total APF support increased \$104.2M from last year. Major increases were reflected in Operations and Maintenance, Army and Other Operating support due to increased supplemental and Defense funding for MWR support of GWOT (\$75.8M vs \$19.3M for FY03). Additionally, the Installation Management Agency took reprogramming actions to increase the initial funding for MWR. The Army did, however, report fewer military working in MWR for FY04. Collective NAF revenue for the Army Operating Funds was \$886.8M, a \$26.6M increase over FY03. Major gains were realized in operating revenue (fees and charges), sales, and support for the Army and Air Force Exchange Service. This was offset by declining Army Recreation Machine Program revenue.

On the APF side of the operating ledger, support for personnel continues to be the major use of the funds. While operating labor declined, overhead labor and support for MWR/USA personnel increased \$48.3M. The \$49.2M increase in other operating costs is largely due to increased contracts supporting MWR and the GWOT.

For NAF, operating expenses and cost of goods sold rose \$19.9M. Cost of goods sold as a percent of sales was 42.7 percent, one percentage point higher than FY03. Operating labor rose \$5.5M, however, this is a decline of 0.7 percent from FY03 were expressed as a percentage of NAF revenue. Other expenses rose \$14.6M while overhead dropped \$3.7M (primarily due to increased MWR/USA activity for APF authorized overhead). NIBD was recorded at \$139.8M or 15.8 percent of NAF revenue.

### Summarized Income and Expense Statement: Army MWR Operating Funds

	FY03	FY04	Change
<b>Revenue</b>			
<b>APF:</b>			
Military Personnel	13,896,697	11,714,065	- 2,182,632
OMA	538,241,780	611,481,683	73,239,903
Other Operating	7,932,655	33,424,692	25,492,037
DLA/DoD	10,947,083	11,254,372	307,289
<u>MCA</u>	<u>8,200,000</u>	<u>15,500,000</u>	<u>7,300,000</u>
Subtotal	\$ 579,218,215	\$ 683,374,812	\$ 104,156,597
<b>NAF:</b>			
Sales	223,566,266	226,450,455	2,884,189
Gross ARM Revenue	116,488,304	115,941,115	- 547,189
Central Fund AAFES Dividend	41,033,718	48,905,648	7,871,930
ASD/Other AAFES	83,056,751	79,262,517	- 3,794,234
Other Revenue *	392,620,296	413,249,581	20,629,285
<u>Interest Income</u>	<u>3,394,791</u>	<u>2,978,355</u>	<u>- 416,436</u>
Subtotal *	\$ 860,160,126	\$ 886,787,671	\$ 26,627,545
<b>Total Revenue and Appropriations</b>	<b>\$ 1,439,378,341</b>	<b>\$ 1,570,162,483</b>	<b>\$ 130,784,142</b>
<b>Expenses</b>			
<b>APF:</b>			
Operating Labor **	202,123,934	201,448,517	- 675,417
Overhead Labor **	42,571,072	50,189,358	7,618,286
APF Support for USA Labor	131,217,225	171,946,785	40,729,560
<u>Other Operating Costs</u>	<u>195,105,984</u>	<u>244,290,152</u>	<u>49,184,168</u>
Subtotal	\$ 571,018,215	\$ 667,874,812	\$ 96,856,597
<b>NAF:</b>			
Cost of Goods Sold	93,306,328	96,766,075	3,459,747
Operating Labor *	311,572,212	317,032,983	5,460,771
Overhead Labor *	100,725,747	97,062,303	- 3,663,444
<u>Other Operating Costs *</u>	<u>221,504,268</u>	<u>236,138,722</u>	<u>14,634,454</u>
Subtotal *	\$ 727,108,555	\$ 747,000,083	\$ 19,891,528
<b>Total Operating Expenses</b>	<b>1,298,126,770</b>	<b>1,414,874,895</b>	<b>116,748,125</b>
<u>Military Construction Army</u>	<u>8,200,000</u>	<u>15,500,000</u>	<u>7,300,000</u>
Net Income Before Depreciation	133,051,571	139,787,588	6,736,017
<u>Depreciation</u>	<u>128,968,018</u>	<u>123,978,591</u>	<u>- 4,989,427</u>
<b>Net Income</b>	<b>\$ 4,083,553</b>	<b>\$ 15,808,997</b>	<b>\$ 11,725,444</b>

Figure 3-11

\* Net of USA revenue: FY03 \$142,583,914; FY04 \$193,821,294

\*\* Includes General Schedule, Foreign Nationals, Wage Grade, and Military Personnel Army



“While Soldiers remain the centerpiece of the Army, we must also remember the tremendous sacrifices made by those who support our men and women in uniform....

Just as with our Soldiers, we have asked more of our civilian workers during the last few years; they too have risen to the challenge, endured hardship, and gone places and done things unimaginable just a few years ago.”

- Gen. Peter Schoomaker, Army Chief of Staff, and Secretary of the Army Dr. Francis J. Harvey  
(Soldiers Almanac 2004)

White Plume Awards

The White Plume award was established in 1982 by the Adjutant General of the Army to recognize outstanding service and contribution to MWR and family programs. The White Plume is the Army’s highest medal for achievement in support of Army MWR.

Winners of the White Plume (Figure 4-1) represent true service to the Soldier, the Army, and the Nation.

2004 White Plume Awards	
Mr. Ernest Albano	IMA-Pacific
Ms. Marsha Chandler	IMA-HQ
Ms. Kathleen Cole	IMA-HQ
Brig. Gen. Robert Decker	USACFSC
Mr. Lee Dexter	IMA-NorthEast
Mr. James Ehrenreich	104 <sup>th</sup> ASG
Ms. Jean Ellis	FORSCOM HQ (Spouse)
Mr. John Grassmick	USACFSC
Mr. Ernest Gregory	ASA (FM&C)
Ms. Janet Hicks	IMA-SouthEast
Mr. Parashotam Kawlra	Fort Myer, Va.
Mr. Steven Kimura	IMA-Pacific
Mr. William Long	USACFSC
Mr. Randall Moore	Fort Knox, Ky.
Mr. Thomas Nemmers	IMA-SouthWest
Ms. Rose Pulliam	Fort Bragg, N.C.
Maj. Catherine Rusnak	USACFSC
Sgt. Maj. Corbin Skerritt	USACFSC
Mr. Steven Rosso	USACFSC
Ms. Sandra Vlcek	USACFSC
Mr. Jared Williams	IMA-SouthEast
Ms. Sandra Wood	IMA-Pacific

Figure 4-1



NAF Employee Benefits

The Army provides an extensive menu of benefits for the 17,500 eligible NAF employees that deliver MWR programs around the globe.

Employee Benefits On-Line was introduced in the fourth quarter of FY04. This major addition to the NAF employee benefits program allows employees to access benefit records and obtain instant benefit summaries or comprehensive benefits statements. The system also allows employees to submit a service request directly to their servicing human resource office to update database information. The introduction of the system was very successful. More than 1,100 employees accessed the system the first week of operation with no technical problems experienced during system startup. The NAF benefits web site continued to expand with the addition of links to other benefit web sites and services. The site also introduced a new section targeted toward the retiree population, which includes information of interest only to retirees, such as the annual cost of living increase and changes to retiree coverage in the DOD health benefit plan. The web site is updated weekly to ensure that all information is current and up to date.

Participation in the NAF Employee Retirement Plan continued to increase during FY04—a continuing trend since the BOD decision in FY01 to require participation of new hires for their first six months of service. As of the end of FY04, 84 percent of the active eligible workforce was enrolled in the retirement plan. This dramatic increase has had a positive impact on the well-being of the NAF workforce. The Portability Project Office, initially established in FY02 to audit and correct service records of employees who transfer between the APF and NAF personnel systems under the portability legislation, made significant progress in restoring retirement benefits to employees who had been incorrectly processed.



A Fort Monroe MWR employee sells Starbucks coffee to customers in the new coffee shop, "Fitside Perk" located in the fitness center lobby.  
- Fort Monroe PAO

The 401(k) Savings Plan continues to be a popular benefit program. The plan provides individual employees the opportunity to achieve their goals for financial security in retirement through this tax deferred savings plan. Efforts continued to assist employees with their investment decisions through briefings and presentations at numerous installations in cooperation with Fidelity Investments, which provided certified financial planners for these presentations. Financial Engines, an interactive web-based system that provides financial planning and investment advice, was provided at no cost to 401(k) Plan participants. However, participation in this program has fallen short of expectations, indicating a strong desire among employees to receive direct, personal assistance with their investment decisions. Fidelity Investments, which administers the NAF 401(k) Savings Plan, continued to provide enhanced web based services to participants, and new loan repayment procedures were implemented to make loan repayment easier and faster.

The self-insured DOD Health Benefit Plan continues to provide the highest level of health benefits for employees and their families at a competitive premium rate. Benefit levels in the DoD Health Benefit Plan continued to improve, meeting the challenge of providing quality, affordable health care to plan participants. The plan remained financially strong, and the trend toward steadily decreasing premium increases continued in FY04. Following a year that saw only a 7 percent rate increase, projections for the coming year are for a 4.5 percent increase in medical rates and no increase in dental rates. These increases are below industry trend and those of the Federal Employee Health Benefit Plans, and reflect the judicious use of the plan by participants and our continuing efforts in cooperation with Aetna to control spiraling health care costs.

Aetna, the third party administrator of the DOD Health Benefit Plan, continued to provide excellent service to plan participants. Aetna Navigator, the interactive web based system that allows participants to view claims processing status, explanation of benefits, and information about plan benefits and health related information, saw a substantial increase in use with 25 percent of participants now routinely using the service. A significant policy change in the DOD Health Benefit Plan guarantees plan coverage for NAF employees called to active duty and their families at no cost.

The NAF Employee Group Life Insurance Plan rates were maintained at fourteen cents per thousand dollars of coverage for employees electing basic coverage. A plan change during FY04 eliminates the waiver of premium feature for disability retirees in favor of the standard Post Retirement Life Insurance Benefit. This provides a generous level of coverage at no cost to the retiree, while protecting the plan against adverse selection.

The CFSC NAF Employee Benefits Office, in cooperation with Fidelity Investments, delivered benefit presentations and one day retirement seminars to numerous installations. The office also issued promotional materials for electronic and mail distribution to eligible employees and NAF Human Resource Offices to enhance understanding of benefit programs and increase participation in the benefit programs.

The Benefits Office continued to provide training support to the Civilian Personnel Operations Center Management Agency to improve personnel technician knowledge of benefit programs and processing requirements taught in the NAF Personnel Technicians Course, as well as APF personnel technician knowledge of portability of benefits processing requirements.

## Career Development Programs



MWR employees attend one of many professional development classes at the MWR Academy in Alexandria, Va.  
- Photo courtesy of MWR Academy



Employees of the new Habenero restaurant at Benjamin Franklin Village in Mannheim, Germany.  
- Photo courtesy of CFSC Business Programs

### Career Development and Staffing

The CFSC continues to assist installation commanders in filling MWR vacancies, both APF and NAF, at grades GS-9/NF-04 and above. A total of 527 referral lists were issued in calendar year 2004, taking an average of 26 calendar days to prepare and issue each list. Of all referral lists issued during the year, 28 percent were issued from the standing applicant inventory in 12 calendar days and 72 percent were prepared within 31 days after issuing special vacancy announcements, with an average open announcement period of 14 days.

### Leader Development Program

Development efforts continued on the Leader Development Program. The LDP is a proactive, long-term approach to developing the Army MWR workforce and institutionalizing an effective centralized management directed assignment system. Positions in the following functional areas will be managed as part of the LDP once implemented:

- Financial Management
- Child and Youth Services
- Business Programs
- Recreation Programs
- Services
- Lodging Management
- Multidisciplinary Management Programs



Employees of CFSC's Financial Management Directorate.  
- Photo courtesy of CFSC Marketing

### NAF Management Trainees

The centrally funded Management Trainee Program places college graduates with specialized degrees into MWR positions.

During 2004, six graduates from the FY03 program completed their on-the-job training and then moved into permanent placement positions. In FY04, ten trainees were recruited into the program:

- 1 - NAF Human Resources
- 1 - Child and Youth Services
- 3 - Outdoor Recreation
- 2 - Lodging
- 1 - Financial Management
- 2 - Marketing

Regional training sites for these positions are located at Fort Sill, Ok.; West Point, N.Y.; Fort McCoy, Wis.; Shades of Green AFRC, Fla.; Fort Benning, Ga.; Fort Irwin, Calif.; and Redstone Arsenal, Ala.

The Management Trainee Program continues to supply garrisons with highly trained MWR leaders for Army MWR operations. Ten trainees are planned for recruitment into the program in FY05. A NAF contracting track and a food and beverage (with bowling management emphasis) will be added in June 2005.

### Army Civilian Training, Education, and Development System Plan

The Army Civilian Training, Education, and Development System Plan documents a structured, progressive, and sequential approach to employee development within Career Field 51 (MWR). The MWR ACTEDS Plan is a competency-based, career progression "road map" that blends training and self-development to systematically enhance individual performance and potential. Currently ACTEDS is undergoing a revision to fully integrate the Army Leader-Development model for civilians; embrace the Army MWR vision; and incorporate the Strategic Plan into a continuous, dynamic system of learning and growth. This revision will be web-based and hosted on the CFSC server.

## Master Training

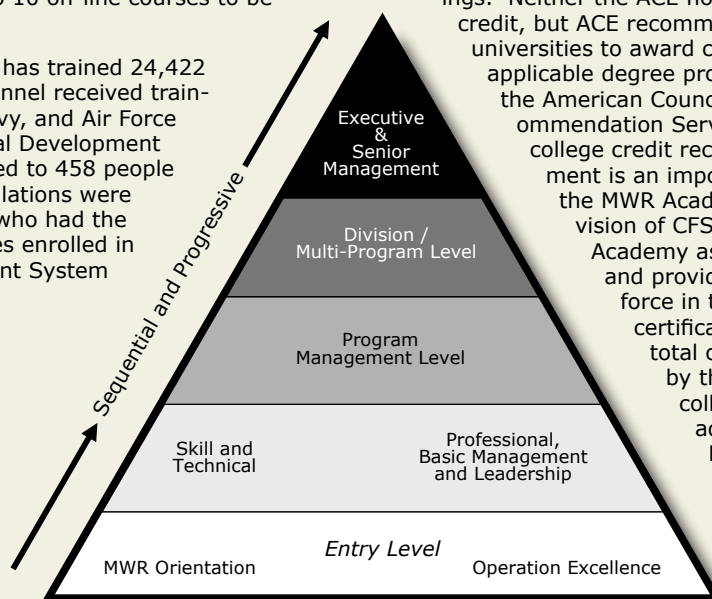
The MWR Academy in Falls Church, Va., offers courses for the Army and its sister services. Academy courses support the MWR Master Training Plan and train entry-level employees through general officers serving as installation commanders (Figure 4-2).

Web-based training remains at the forefront of planning and development efforts. The Community and Family Support Basic Management and MWR Orientation courses became web-based in FY03, and in FY04 the Academy began additional course development for the 8 to 10 on-line courses to be fielded in FY05.

Since 1988, the MWR Academy has trained 24,422 students. In FY04, 2,634 personnel received training, including Army, Marine, Navy, and Air Force MWR professionals. Professional Development Leadership training was delivered to 458 people at 10 installations. Those installations were some of the 12 Award winners who had the highest percentage of employees enrolled in the on-line Learning Management System during implementation in 2003.

The MWR Academy delivered 26 percent percent of its training at installations (681 students), 22 percent at the Academy (580 students), 2 percent by correspondence (54 students), 12 percent by off-site contract (322 students), 35 percent through web-based instruction (915 students), and 3 percent (79 students) at the MWR Culinary Academy in Fort Lee, Va.

The American Council on Education evaluates MWR Academy courses and recommends college credit for many offerings. Neither the ACE nor the MWR Academy grants college credit, but ACE recommendations encourage colleges and universities to award credits to students participating in applicable degree programs. During a Sep 04 visit by the American Council on Education College Credit Recommendation Service, 17 Academy courses received college credit recommendations. This achievement is an important milestone in the history of the MWR Academy, as it supports the strategic vision of CFSC; confirms the status of the MWR Academy as a professional learning institution; and provides added value to our MWR workforce in their pursuit of formal education or certification requirements. Currently, a total of twenty-seven courses sponsored by the MWR Academy have received college credit recommendations. In addition, students receive Continuing Education Units for most Academy courses.



## MWR Master Training Program

Figure 4-2

MWR Academy			
FY04 Student Totals by Course			
58	AFRC/ARMP Management	7	ISO Training Courses
47	Applied Financial Planning	37	Lodging Customer Service
27	Army Community Service Directors' Course	19	Lodging Management
458	Award Professional Development	22	Lodging Supervision Course
24	Business Program Managers' Course	31	Lodging Supply Chain Management
13	Catering Professionals' Course	28	Marketing Managers' Course
14	Catering Culinary Skills Course	74	MCCS Applied Financial Planning
53	CFS Management Course (508 Version)	26	MCCS Senior Leader Course
574	CFS Management Course (On-Line)	25	Mobilization and Deployment Readiness
22	Contract Administration	288	MWR Orientation Course (On-Line)
24	Contract Law	24	NAF Contracting, Advanced
24	Contract Pricing	54	NAF Contracting, Basic (correspondence)
25	Contract Source Selection	23	Operation Excellence Train-the-Trainer
60	CYS PQMA	11	Performance Analysis in Hospitality Organizations
46	CYS Program Basics for Operations Specialists	24	Process & Quality Leadership Tools for Hospitality
30	CYS Training and Curriculum Specialists	44	Program and Special Events Management Course
23	Director's of MWR Executive Development	20	Recreation Managers' Course
19	Employment Readiness Course	22	RecTrac! Application Administrators' Course
34	Food & Beverage Automation Courses	24	Relocation Readiness Course
42	Food & Beverage Management Course	5	Snack Bar Management
11	Full Service Culinary Skills Course	15	Snack Bar Skills/Fast Food Course
27	Galaxy Refresher Training	52	Strategic Communication for Hospitality Managers
30	General Officer Installation Commander's Course	20	Strategic Leadership for Hospitality Managers
24	Golf Superintendents' Course	17	Value Creation in Hospitality Organizations
37	Hotel Operations		
		2,658	TOTAL

Figure 4-3



# Management Summaries





**"As the chief likes to say, Soldiers are the centerpiece of our formations... so nothing can be more important than a Soldier; nothing can be more important than the family.**

**I will put a lot of focus on their well-being throughout my tenure."**

- Secretary of the Army Dr. Francis J. Harvey



Army Community Service



The ACS mission is to facilitate the ability of commanders to provide comprehensive services that support the readiness of Soldiers, civilian employees, and their families. ACS achieves this mission by leveraging technology and resources, eliminating duplication in service delivery, and adapting services to the unique needs of the installation.

Overall FY04 ACS execution was \$107.8M (Figure 5-1)—a 28 percent increase from FY03, primarily due to OSD funding for Family Advocacy and Relocation Readiness.

The ACS Performance Awards recognize individual and installation ACS efforts and demonstrate support and appreciation of the ACS team (Figure 5-2). Within each award, there are categories for large, medium, and small installations.

Army Community Service Operating Costs			
\$ Millions			
FY03	FY04		
25.1	28.1	(OMA) ACS Base Operations	
8.2	6.1	(OMA) Family Advocacy	
	43.2	(OSD) Family Advocacy	
6.5	6.7	(OMA) Financial Readiness	
4.8	4.6	(OMA) Relocation Readiness	
	4.5	(OSD) Relocation Readiness	
1.9	2.0	(OMA) Outreach	
3.7	3.1	(OMA) Employment Readiness	
6.7	3.3	(OMA) Exceptional Family Member Program	
2.7	2.7	(OMA) Information, Referral, and Follow-Up	
3.5	0.2	(OMA) Foster Care	
7.9	0.5	(OMA) Deployment / Mobilization	
13.2	2.8	(OMA) Army Family Action Plan/Army Family Team Building	
\$84.2	\$107.8	Total	

Figure 5-1

ACS Performance Awards	
Outstanding Individuals	
Small Installation	R. Cynthia Jacobs (Camp Humphreys, Korea)
Medium Installation	Shawn Williams (Fort Polk, La.)
Large Installation	Barbara Trower-Simpkins (Fort Bragg, N.C.)
Sterling Performance	
Small Installation	Becky Wapp Sawyer (Fort McCoy, Wis.)
Medium Installation	Karen McComas (Fort Lee, Va.)
Large Installation	Pearl Speer (Fort Riley, Kan.)
Excellent Installations	
Small Installation	Tobyhanna Army Depot, Pa.
Medium Installation	Fort Polk, La.
Large Installation	Fort Carson, Colo.

Figure 5-2

ACS Operations Support

Army families are resilient, strong, and steadfastly support their Soldiers and the Army mission. To help families cope and thrive, the Army provides a robust network of family support programs ranging from counseling to legal assistance; instruction in Army basics, lifestyle, and culture; household finance; and family readiness support groups. The Washington Post/Kaiser/Harvard poll of military spouses revealed that 75 percent of military spouses who sought assistance said they found the Army helpful. While the institutional Army provides a network of support, Soldiers are ultimately responsible for their own well-being and that of their family members.

The well-being and quality of life for Army families is critical to the readiness of our Soldiers and has a profound effect on retention decisions. The Army knows how important support services are to overall spouse satisfaction and the effect that has on Soldier readiness and retention. Communication between a well-trained rear detachment commander of a unit forward deployed, the Family Readiness Group, and community resources is key to successful family adaptations during deployments. Soldiers who know their families are taken care of are better able to concentrate on the mission at hand.

To support today’s Soldiers and their families, ACS continues its mainstream programs and is developing new ways to reach out to all Soldiers, civilians, and families. In the context of an Army of One (one force comprised of active duty, Guard, and Reserve), the Army community is changing. As the community changes, so must ACS change in the way it does business.



Soldiers of the 3rd Infantry Division (M), HHC, 1st Battalion, 3rd Aviation Regiment wave American flags as they arrive home to Fort Stewart from Operation Iraqi Freedom.  
- Photo by Catherine D. Johnson



**"I know about having your life turned upside down because the man you love wants to serve the country... and I know that many of you make sacrifices to help your spouse fulfill his dreams."**

- First Lady Laura Bush addressing Fort Hood's annual Women's Conference, March 2004



After serving for a year in Iraq, a Soldier assigned to the North Carolina National Guard's 30<sup>th</sup> Heavy Separate Brigade arrives home to hug his family at Lee Fitness Center, Fort Bragg.  
- Photo by Tech Sgt Brian Christiansen, 145<sup>th</sup> Airlift Wing Visual Information

## Army Family Action Plan

In its 21<sup>st</sup> year of giving a "voice" to issues affecting Soldiers and families and the civilians who serve them, the Army Family Action Plan remains a dynamic process that leverages relevant, real time concerns; identifies how world events influence Army standards of living; and continues to re-examine programs and processes and recommend changes that are flexible, responsive, and timely. Significant changes have occurred over the course of the last 21 years in the Army, and the AFAP program has seen this reflected in the types of issues submitted by the grassroots constituency that comprises the global Army family.

The AFAP program functions at three levels: installation, MA-COM/Region, and HQDA. Approximately 90 percent of the issues identified at local level are worked and resolved at that level and create a continuous process of improvement within Army communities. Though few issues are retained at mid-level for resolution, the annual MACOM AFAP Conference is key to selecting and fine-tuning the issues that are sent to HQDA for review. At the worldwide HQDA AFAP Conference, held every November in the Washington, DC area, delegates select the issues they want the Army staff to work. Additionally, twice a year the AFAP General Officer Steering Committee meets to provide direction and review the progress made on the resolution of AFAP issues.

Top five conference issues announced at the 2004 AFAP GOSC:

- 1-Family Member Eyeglass Coverage: fund portion of cost of eyeglasses under TRICARE; outsource fabrication through vendors at reduced price; provide Frame of Choice Program at cost from military lab.
- 2-Expiration of TRICARE Referral Authorizations: eliminate the automatic expiration of initial TRICARE referral authorizations.
- 3-Childcare Fee Category: double number of total family income categories and create new fee range within each category.
- 4-Calculation of CONUS Family Subsistence Supplemental Allowance: eliminate Basic Allowance for Housing from income calculation.
- 5-Leave Accrual: allow service members to accumulate 90 days leave until termination of service.

As of Nov 04, AFAP issues have effected 95 legislative changes, 137 DoD or Army policy changes, and 153 improved programs or services.

## Army Family Team Building

Army Family Team Building is global educational program designed to improve the readiness of the force by teaching and promoting personal and family readiness through standardized, progressive, and sequential education for family members. The AFTB program helps family members understand the Army environment and lifestyle and provides them with the information, knowledge, and skills vital to Soldier and family readiness. AFTB strengthens the "partnership" between the Army and members of the Army family.

The AFTB program consists of the following training: Levels I, II, III, Master Trainer, Core Instructor, Senior Spouse Leadership Seminar, Master Trainer Professional Development, and a Program Manager Course. NetTrainer provides an online level training component for Soldiers and family members that do not have access to, nor wish to participate in, community based classroom instruction. In 2004, AFTB trained 155,980 individuals:

Master Trainers	154
Program Managers	99
Senior Spouses	137
Students (Levels I, II, and III)	146,412
Core Instructors	70
Net Trainer (Levels II and II)	9,108



Fort Sill AFAP delegates prepare for a garrison conference.  
- Photo courtesy of Fort Sill PAO

## Army Community Service

### Employment Readiness

The Employment Readiness Program provides services that assist military personnel and their family members in developing the skills to find a job, plan a career, and find employment opportunities. In October 2003, the Army signed a Statement of Support (the Army Spouse Employment Partnership) with 13 corporate partners and 2 military partners who promised to recognize Army spouses as a diverse and talented candidate pool and pledged their best efforts to increase employment opportunities for Army spouses and resources for corporate America. These partners are the Army and Air Force Exchange Service; Army Career and Alumni Program; BellSouth; Boys and Girls Clubs of America; Civilian Personnel; Computer Sciences Corp; CVS Pharmacy; Dell, Inc.; Home Depot; Hospital Corp. of America; Lockheed Martin; Manpower; Merck and Co.; Sears Logistics, Inc; and Sprint. Four new partners joined in October 2004: Ad-ecco, USA; Defense Commissary Agency; EURPAC Service, Inc.; and Sears, Roebuck and Co.

The Employment Readiness program assisted 96,456 individuals in FY04. More than 32,600 patrons received job search counseling, 13,800 sought career assessments, 21,314 attended classes for skills training, 60,770 received other career and educational information, and 7,948 were placed in jobs.

### Exceptional Family Member Program

Military personnel agencies consider the exceptional family member needs of enrolled Soldiers during the assignment process. Civilian personnel advisory centers process civilian employees who are relocating outside the United States with family members who have special needs. In FY04, there were 49,595 sponsors and 64,344 family members enrolled in the program (20,047 adults and 44,297 children).

### Relocation Readiness

Relocation provides a comprehensive program with services necessary to support Department of the Army Soldiers, civilian personnel, and their families as they relocate throughout their Army careers. During FY04, there were 18,265 briefings/seminars/workshops and 3,233,620 hits on the Standard Information Topics Exchange web site.



Sgt. 1st Class Shannon Goodwin of the D.C. Guard's 547th Transportation Company is welcomed home by retired Sgt. 1st Class Mary Gross, a former member of the D.C. Guard.

- Photo by Spc. Lorie Jewell

### Mobilization and Deployment

The Family and Soldier Readiness System includes Family Assistance Centers, Family Readiness Groups, Rear Detachments, Family Readiness Group Deployment/Support Assistants, and unit Family Readiness Liaisons. Unit commanders work with local ACS representatives and other agencies to ensure each component of the program cares for and prepares Soldiers and families prior to, during, and upon return from deployments. Installation ACS Directors coordinate with National Guard and Army Reserve units in their geographic area of responsibility to assist families who rely on local community agencies and ACS.

The ACS Operation READY training program assists commanders in meeting family readiness objectives. Available through ACS, Guard, and Reserve family program staff, OP READY modules can be viewed on-line at Virtual ACS ([www.mymilitarylifetoo.com](http://www.mymilitarylifetoo.com)).

The virtual Family Readiness Group, funded by the 2004 Defense Authorization Act, is a web-based system that provides all of the functionality of a traditional FRG in an ad-hoc and on-line setting to meet the needs of geographically dispersed units and families of all Army components. The virtual FRG links deployed Soldiers, families, FRG leaders, unit commanders, rear detachments, and other family readiness personnel on a controlled access web portal. With technology to automate manual processes and provide enhanced services and communications, the portal facilitates the exchange of information and provides a sense of community.

The Armywide Multicomponent Family Support Network supports the family readiness needs of an expeditionary force and mitigates the effects of extended deployments on active, Guard, and Reserve families. This network is a seamless array of family support services that can be easily accessed by the Soldier and family—active, Guard, and Reserve—regardless of physical location. It eliminates stovepipe organizational structures that hamper efficient service delivery and needlessly frustrate Soldier and family patrons.

### Army One Source

Army One Source supplements existing family programs by providing a 24-hour, seven-day-a-week toll free information and referral telephone line and internet/web-based service. The AOS is available to active duty, National Guard, Reserve Soldiers, deployed civilians, and their families worldwide. The CONUS number for AOS is 1-800-464-8107, and OCONUS (access code) is 800-464-81077 (dial all eleven digits). Callers may call collect if toll free service is not available by calling 484-530-5889.

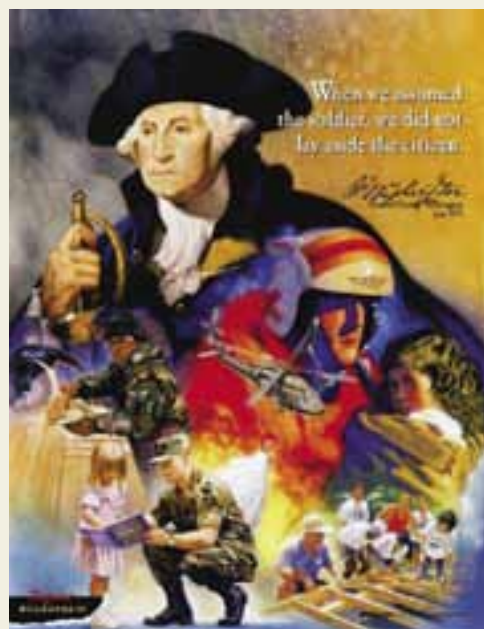
AOS information ranges from everyday concerns to deployment and reunion issues. If there is a need for face-to-face counseling, AOS provides referrals to professional civilian counselors in CONUS, Alaska, Hawaii, Puerto Rico, and Guam. Face-to-face counseling OCONUS is provided via existing medical treatment facilities. As of 30 December 2004, AOS responded to 31,476 telephone calls, 46,842 on-line visits, and made 7,057 referrals for counseling (47 percent of all calls are from active Army, 12 percent from the Guard, 8 percent from the Reserve, less than one percent from DA civilians, and 32 percent were unidentified).

### Transitional Compensation for Abused Dependents

In FY04, \$3.4M was disbursed through the Transitional Compensation for Abused Dependents program to 220 families, including 720 children.



Fort Carson volunteers participate in "Make A Difference Day" on one of many community service projects.  
- Photo courtesy of Fort Carson ACS website



## Family and Victim Advocacy

The primary goal of the Family Advocacy Program is to prevent spouse abuse and child abuse and neglect by providing a variety of services to strengthen Army families. The FAP program is divided into two major programs: prevention and treatment.

Prevention education is always a FAP priority, especially for high-risk populations. Single parents, new parents, and first term families are a prime target for FAP primary and secondary prevention services. Prevention education provides:

- Family violence prevention briefings
- Stress/anger management classes
- Parent support and skills classes
- Emergency placement care
- Victim advocacy

Treatment is provided at the local medical facilities through the Social Work Service. Efforts continue to hire licensed staff to reduce caseloads in accordance with DOD standards. Implementation and training of the fatality review process for child abuse and domestic violence was initiated in FY03.

The DOD Task Force on Domestic Violence provides a strategic plan to address domestic violence within the Army and the DOD. Accomplishments to date include a review of DOD draft policy memoranda on fatality review teams, military protection orders, and victim advocates; access to DOD shelters; training curricula for healthcare providers and chaplains; publication of the revised FAP regulation, AR 608-18; fielding of a commander and noncommissioned officer FAP guide; and the implementation of installation-level mobile training teams where first responders receive training in how to effectively respond to domestic violence incidents.

In FY04, the FAP provided direct service to:

13,062	Command Briefings attendees
71,613	Spouse Abuse Training attendees
91,481	Child Abuse Training attendees
80,111	New Parenting Training attendees
49,259	Victim Advocacy Training attendees
160	Children placed in foster care program
2363	Placements in respite care

## Financial Readiness

Counseling and educational services support commanders in maintaining unit financial readiness to sustain deployments. The program teaches Soldiers and their families how to reduce indebtedness and requests for emergency financial assistance.

In FY04, Financial Readiness assistance was provided to:

11,862	Financial Readiness Classes attendees
228,260	Personal Financial Readiness attendees
202,696	Counseling and Case Management attendees (Debt Liquidation, Financial Counseling, Complaints and Income Assistance)
123,398	Command Briefing attendees (3,271 sessions)

## Volunteer Program

The Army Volunteer Corps was implemented during National Volunteer Week, 18-24 April 2004 in an effort to revitalize volunteerism in the Army. The AVC formalizes the Army's commitment to volunteerism and unites volunteers across all Army communities—the active force, National Guard, and Army Reserve. An AVC emblem was created and 90,000 AVC pins and 1,500 posters were distributed to Army installations, the National Guard, and Army Reserve. As part of the implementation package, the AVC Philosophy on Volunteerism and the Volunteer Bill of Rights and Responsibilities were also distributed. The AVC Working Group, a DA-level group, was established to continue progress started at the volunteer summit, to address systemic volunteer issues, and to guide the development of the AVC.

	FY 03	FY04
Number of Volunteers	7,706	6,921
Number of Hours	451,312	458,946

Each year ACS honors exceptional volunteers through the presentation of the Emma Marie Baird Award for Excellence in ACS with a citation signed by the Chief of Staff of the Army. These exceptional volunteers demonstrated a pattern of excellence and achievement during a sustained period. The FY04 winner of this award is Mrs. JoAnn Czech of the 6<sup>th</sup> US Army Recruiting Brigade, Salt Lake City Recruiting Battalion, Salt Lake City, Utah.



## Child and Youth Services



*Nellis Air Force Base, Nevada*  
U.S. Army Reservist Staff Sgt. James Smith, 257<sup>th</sup> Transportation Company, Las Vegas, Nev., holds eight month old son Malik for the first time after returning home from a 13-month deployment to Kuwait and Iraq.  
- Photo by Airman 1st Class Daniel DeCook

The Army serves more than 459,000 eligible children and youth (ages 4 weeks to 18 years old) at 125 locations in 28 States, the District of Columbia, and eight different countries and territories.

Child Development Centers.....	151
School-Age Programs.....	133
Family Child Care Homes.....	2,901
Youth & Teen Centers.....	127
Sports & Fitness Programs.....	84
Instructional Programs.....	68
Outreach Services .....	87
School Liaison Programs.....	86

The Child and Youth Services Pioneer Award was instituted to acknowledge the significant contributions of individuals who have made Army child and youth programs "a model for the Nation." The Pioneer Award recipients for 2004 are at Figure 5-3.

### 2004 Pioneer Awards

Ms. P. K. Tomlinson	HQDA
Ms. Shirley Young	HQDA
Ms. Maryalice Howe	HQDA
Ms. Linda Harwanko	HQDA

Figure 5-3

A primary focus of Child and Youth Services in FY04 was to provide deployment support services to Soldiers and families (both Active and Reserve Components) as the Army fights the Global War on Terrorism. These deployment support services included CYS program initiatives such as Operation Military Child Care and Operation Military Kids. Realizing that CYS must reach out to Guard and Reserve families—as well as to active duty Soldiers who are geographically dispersed from on-post child care and youth programs—led CFSC to place significant emphasis on developing an Army-sponsored, community-based delivery system. As always, the goal of Army CYS is to provide Soldiers and their families with quality, cost-effective programs that are sustained as a "model for the Nation" for child care and that establish benchmark standards for America's youth supervision options.

Army Child Development Services, School-Age Services, Youth Services, and CYS Liaison, Education, and Outreach Services are a direct mission-related necessity to an Army that is 51 percent married and an additional 7.7 percent who are single parents. Commanders, as well as their Soldiers and families, consider Army child and youth programs to be an important quality of life and well-being issue.

Child and Youth Services provides a variety of age-appropriate programs—primarily during parental duty hours. CYS offers a safe and constructive environment that contributes to the well-being of the Army—whether specifically serving infants and young children in child development centers and family child care homes in government housing; school age children in before and after school programs; middle school youth and teens in youth centers and teen programs; or the entire age spectrum through team sports, instructional classes, referral services to off-post programs, and school transition support. The success of these programs is ultimately measured by improved Soldier and family readiness and a reduction in lost duty hours due to a lack of adequate child care or resulting from youth misconduct.





Army Teen Panel representatives at their July 2004 meeting in Alexandria, Va.  
- Photo by Margaret McKenzie

Operation Iraqi Freedom and Operation Enduring Freedom had tremendous impacts on child and youth operations in FY04. Two specific deployment support initiatives were:

- **Operation Military Child Care**

A CYS GWOT initiative that funds extended hours care, respite care, reintegration care, and hourly care for family support groups at little or no cost to families. In FY04, 590,295 extended care hours at 57 separate installations were provided. The initiative includes 6,000 community based child care spaces for children of mobilized Army National Guard and Army Reserve Soldiers.

- **Operation Military Kids**

A CYS GWOT initiative that creates community support networks for military youth dispersed in rural, urban, and suburban communities. Outreach services are provided through 4-H military liaisons in all 50 states and targeted Boys & Girls Clubs. Speak Out for Military Kids—a youth peer to peer advocacy movement—includes service projects such as community teens assembling Hero Packs for “unsung military teen heroes” who have assumed adult roles and responsibilities while their parents are deployed.

In August 2004, Army CYS began fielding 197 youth technology labs in garrison school-age centers and youth centers. These YTLs were funded as a CYS deployment support initiative to increase youth communications with deployed parents. The YTL is comprised of seven to 15 workstations, a printer, a scanner, and a digital video camera. Software supporting communication as well as the CYS four core service areas has been preloaded on the computers. These YTLs have undergone the Department of Defense Information Technology Security Certification Process Accreditation and received a Certificate to Operate. A total of 38 YTLs were installed in FY04—ongoing fielding plans call for completion of the project at all sites during FY05.

Other program accomplishments for FY04 included:

- Certifying 100 percent of Army child development programs and 100 percent of Army school age programs by DOD and 100 percent of Army youth programs (under Army checklist criteria).
- Monitoring school system signatories to the Schools and Education Transition Support Memorandum of Agreement to implement recommendations to improve military students’ transition between schools. By FY04, 150 school systems had become signatories.
- Monitoring implementation of the “Senior Stabilization” process whereby officer and enlisted Soldiers may request delay of a Permanent Change of Station move for a year to allow a high school senior family member to graduate from the school currently attended. Since this procedure was initiated in April 2001 and up through FY04, a total of 3,837 stabilization requests have been submitted; 3,678 were approved, 134 were disapproved, and 25 are pending.
- Initiating the CYS Student to Student (S2S) pilot at six initial sites (Forts Bragg, Huachuca, Jackson, Carson, Hawaii and Carlisle Barracks) to provide school transition support to military-connected youth by working closely with school systems. The focus is on establishing a school-managed, student-led, school transition training program involving students, school liaison officers, and school personnel.
- Expanding the Army Teen Panel to include youth representatives from the Army National Guard, Army Reserve, and Accessions Command. Panel membership currently consists of two teens from each of these constituencies and from each of the seven IMA Regions (20 individuals).

## Community Recreation



In the spirit of building morale and esprit-de-corps, Soldiers of the 173<sup>rd</sup> Airborne Brigade join in a 10K run at Bayonet Base in Kirkuk, Iraq.  
- Photo by Staff Sgt. Samuel L. Brown



Pfc. Blake Boles performing in the BRAVO! Army Theatre Touring Company's production of *Farley Family Reunion* for front-line Soldiers.  
- Photo by Tim Hipps

Army recreation programs provide a diversion from the rigors of military service, reduce daily stresses, and enhance mental and physical fitness. Recreation programs offer a wide assortment of opportunities for life skills development, self-expression, leisure and social activities, and mental or physical fitness while in garrison or during contingency/mobilization operations. Recreation programs are integral components of Soldier and family non-pay compensation, support mission accomplishment and contribute to the overall well-being of the Army family.

During 2004 the CFSC embarked on a new approach to directed programming by piloting the Army Program Tool. Developed by the Learning Resources Network, the APT is an online database of recreation programs developed as a result of comments from Army recreation programmers asking for "canned" programs. The APT is a resource for developed programs and hosts information sheets, program goals and outcomes, flyer templates, program timelines, program evaluation sheets, certificates of participation, and after action reports. The APT will be available to all Army installations in May 2005.

Outstanding garrison recreation programs and the professional workforce that manages and operates those programs are recognized annually for service to the Army, the Soldier, and the family (Figure 5-4).

As a follow on to the Recreation Delivery System, the Army has begun accrediting community recreation programs. Accreditation allows garrisons to document the variety and depth of program and facility offerings, benchmark their operations against national standards as used by municipal recreation programs, and serves as an indicator of overall service and program quality provided by garrison community recreation.

The CFSC coordinated with the Commission for Accreditation of Park and Recreation Agencies and the National Recreation and Park Association to adapt CAPRA standards to Army requirements. The CFSC assists sites in preparing for accreditation visits and prior to an official visit, CFSC and Region personnel conduct a pre-visit to offer suggestions and share lessons learned. Three pilot sites (Fort Monmouth, N.J., Fort Leavenworth, Kan., and Ft. Carson, Colo.) have already been accredited. Installations that implement the Recreation Delivery System will be required to become accredited.

The MWR Baseline Standards provide measurements for consistent, quality recreation services across the Army. The FY04 assessment of the standards shows that recreation programs, Arts and Crafts, Automotive Skills, Outdoor Recreation, Recreation Centers, Leisure Travel, Entertainment, Libraries and Sports and Fitness, fall well below standards for staffing, training, and equipment due to inadequate funding. Requirements to meet standards are validated in the Program Objective Memorandum.

### 2003-2004 Army Recreation Awards

Outstanding Programs	Small	Medium	Large
Arts and Crafts	Fort Monroe, Va.	Grafenwoehr, Germany	Wiesbaden, Germany
Automotive Skills	Not awarded	Vicenza, Italy	Fort Rucker, Ala.
Entertainment	Not awarded	Hanau, Germany	Wiesbaden, Germany
Library	Garmisch, Germany	Grafenwoehr, Germany	Fort Lewis, Wash.
Outdoor Recreation	Fort McCoy, Wis.	Redstone Arsenal, Ala.	Fort Rucker, Wis.
Recreation Center	Garmisch, Germany	Vilseck, Germany	Not awarded
Sports and Fitness	Garmisch, Germany	Redstone Arsenal, Ala.	Fort Rucker, Ala.
Recreation Delivery System Team	Not awarded	Not awarded	Wiesbaden, EURO
Overall Installation Program	Fort McCoy, Wis.	Hanau, Germany	Fort Rucker, Ala.
Outstanding Personnel			
Army Recreation Career Award	Ann Burski	Geissen, Germany	
Employee of the Year	Suzanne Dale	Wiesbaden, Germany	
Friend of Recreation	Jeff Moreno	Fort McCoy, Wis.	
Friend of Recreation	Stanley Heath	Fort Rucker, Ala.	
Friend of Recreation	Jeffrey Heath	Grafenwoehr, Germany	



Fort Monmouth's recreation professionals achieved garrison accreditation under guidelines established by the Army, the Commission for Accreditation of Park and Recreation Agencies, and the National Recreation and Park Association.  
- Photo by Sandra Nordenhold



Figure 5-4



Spc. Shawn Hoffmann plays table tennis in the recreation clam shell at Camp Sather, Baghdad International Airport, Iraq.  
- Photo By Staff Sgt. Stacy L. Pearsall



Soldiers enjoy a recreational activity during a Pacific Regional BOSS Workshop at Seward, Alaska.  
- Photo by Marlon Martin

## Contingency and War-Time Operations

During contingencies and wartime operations, MWR is a mission essential activity necessary to maintain physical fitness and alleviate combat stress by temporarily diverting Soldiers' focus from combat situations. Commanders of deployable units are required to ensure that MWR requirements are planned for in peacetime and included as priority in the mobilization/deployment process.

The CFSC Community Recreation staff coordinates with the Coalition Forces Land Component Command and the Multi-National Force-Iraq for MWR requirements. In FY04, \$18.6M in MWR equipment, supplies, and services were purchased and delivered to operational theaters in Iraq, Afghanistan/Uzbekistan, and Kuwait to meet commanders' requirements and improve the quality of life for deployed Soldiers and civilians in support of OEF/OIF.

Personnel from CFSC traveled to Kuwait and Iraq in 2004 to establish a theater rest and recuperation program and to fill a theater MWR coordinator position that will identify CFLCC MWR requirements and develop and implement a distribution plan. The top MWR priorities for deployed Soldiers are the ability to communicate with family and friends, visual entertainment (books, electronic games, live performances, and movies), and access to physical fitness equipment.

In conjunction with the Space and Naval Warfare Center-Europe, the CFSC purchased maintenance contracts and commercial site licenses for 32 Internet café facilities in Iraq (with 20 computer stations in each café). The cafés provide free access to e-mail, distance learning opportunities, and Internet services for every major troop site in Iraq.

Centrally purchased equipment enabled the command to establish fitness and recreation facilities at 25 large and 22 small sites in Iraq, three large and five small locations supporting operations in Afghanistan, and two large and five small locations in Kuwait. Recreation facilities include movie theaters with popcorn, electronic game stations, traditional board games, ping-pong, and paperback book libraries. Fitness facilities are equipped with self-powered aerobic machines, dumbbell sets, Hammer Strength cardiovascular and strength training equipment, and assorted free weight equipment.

Every month 900 paperback book kits were also delivered to units in support of OEF/OIF, along with monthly deliveries of new audio books, magazine subscriptions, music CDs, and copies of the *Army Times* and *Stars and Stripes*.

## Better Opportunities for Single Soldiers

The BOSS program supports both the chain of command and the well-being of single and unaccompanied Soldiers. For leaders, BOSS helps identify well-being issues and concerns and provides recommendations for improvement. For single Soldiers, the program assists in identifying and planning recreational and leisure activities and provides opportunities to participate in many community services. BOSS uses the recreation delivery system to build demand-driven programs for customers.

Most of 2004 focused on revising and conducting training for installation BOSS programs in need of rejuvenation workshops. Workshops focused on establishing and maintaining partnerships with MWR programs and other installation organizations. The training also provided single Soldiers an avenue to have their voices heard. The most successful BOSS councils form a team of key personnel that include Senior NCOs and MWR Advisors.

The 2004 Armywide conference theme was "BOSS 15 Years—Honoring the Past, Planning the Future." Single Marine Program participants again made this a joint service conference and ensured friendly competition in dodgeball and blind volleyball. Attendees performed community service at the Armed Forces Retirement Home in Washington, D.C., and shared an afternoon of camaraderie and storytelling. The conference marked Brig. Gen. Robert Decker's last military function as CFSC commander. Sgt. Maj. of the Army Kenneth Preston spoke to participants, fielded questions, and posed for photos with Soldiers. Former CFSC Commander Maj. Gen. (Ret) John Meyer delivered his famous "You Gotta" Leadership speech. The annual banquet and awards ceremony was expanded to include awards for the Commissary Awareness Campaign and a new category, BOSS President of the Year. Fort Lewis won a special digital photography contest for documenting garrison activities in all three pillars of the BOSS program. Fort Richardson was presented with the Presidential Volunteer Service Award.

1st Place Best BOSS Event for 2004				
X-Small	Small	Medium	Large	X-Large
Camp Page	Fort Irwin	Ansbach	Heidelberg	Fort Hood
1st Place Installation BOSS Program for 2004				
Fort Jackson	Presidio of Monterey	Fort Riley	Fort Benning	Fort Campbell

Figure 5-5

The BOSS News & Views eZine and the expanded 2005 BOSS Desk Reference are available at: <http://www.armymwr.com/portal/recreation/single/>



## Community Recreation



Maj. Michael Anti (left) holds his silver medal alongside gold medalist Zhanbo Jia of China (center) and bronze medalist Christian Planer (right) of Austria after completing the men's 50-meter rifle three-position event in the 2004 Summer Olympic Games.  
- Photo by Tim Hips

### All-Army Sports Program

Soldier-athletes posted another successful year for the All-Army Sports Program in 2004. Soldiers continued to dominate Armed Forces team and individual sports competitions, with Army teams taking first place honors in six of 14 Armed Forces Championships.

- The All-Army Boxing team started off the year by winning its 18th consecutive Armed Forces Championship. Team members boxed their way to five gold and two silver medals.
- A snowy course in Indianapolis, Ind., did not slow down the All-Army cross-country men's team as they dominated the field at the Armed Forces - USA National Cross-Country Championships in the men's 4k. The squad took the overall silver in the Armed Forces Championships, first place in the men's 4K nationals, second place in the women's 8k, and second place in the men's 12k.
- The All-Army bowling team came up several pins short and had to settle for second place at the 2004 Armed Forces Bowling Championships in Las Vegas, Nev.
- The All-Army wrestling team had little difficulty defending its 2003 Armed Forces title. Well prepared Army wrestlers won four Greco-Roman gold medals and three freestyle gold medals.
- After 22 consecutive championships, the All-Army women's basketball team took silver at the 2004 Armed Forces Championship. The team looks forward to taking its title back from the Air Force in the 2005 Championship.
- The All-Army taekwondo team again dominated the Armed Forces Championships with the women winning two gold medals and the men winning six gold medals.
- All-Army teams rounded out the year with first-place finishes in Armed Forces women's volleyball, women's softball, and men's basketball. The Armed Forces team led by an Army coach and five Army athletes took gold at the International SHAPE Basketball Tournament. Besides bowling, women's basketball, and cross-country, All-Army teams finished second in Armed Forces women's soccer and golf.



1st Lt. Chad Senior competes in the Team Modern Pentathlon in the 3rd World Military Games in Cantania, Sicily.  
- Photo by Antoine Themistocleous

### Army WCAP Olympians 2004 Summer Olympic Games (Athens, Greece)

Maj. Mike Anti	Silver Medal	Three-Position Prone Rifle
Capt. Matthew Smith	9 <sup>th</sup> place	Men's Lightweight Four (rowing)
1st Lt. Chad Senior	13 <sup>th</sup> place	Men's Modern Pentathlon
Capt. Anita Allen	18 <sup>th</sup> place	Women's Modern Pentathlon
Staff Sgt. Elizabeth Callahan	19 <sup>th</sup> place 13 <sup>th</sup> place	Women's Sport Pistol Women's Air Pistol
Sgt. John Nunn	26 <sup>th</sup> place	Men's 20-km Racewalk
Sgt. Oscar Wood	12 <sup>th</sup> place	Men's Greco-Roman Wrestling (66 kg)
Staff Sgt. Basheer Abdullah	Head Coach	U.S. Boxing Team
Staff Sgt. Shon Lewis	Coach	U.S. Greco-Roman Wrestling Team
Maj. David Johnson	Rifle Coach	U.S. Shooting Team

Figure 5-6



### World Class Athlete Program

The U.S. Army World Class Athlete Program focused on the 2004 Summer Olympic Games in Athens, Greece. Fifty-four Soldiers assigned to the Army WCAP qualified for and competed in Olympic trials for boxing, judo, modern pentathlon, rowing, taekwondo, shooting, team handball, track and field, and wrestling. Seven Soldiers earned spots on the U.S. Olympic team (Figure 5-6), and four additional Soldiers went to Athens as training partners. The highlight of the competition was the three-position prone rifle competition, where Maj. Mike Anti captured a silver medal. Prior to Athens, WCAP Soldier-athletes earned 157 medals at National and International competitions in 2004.

In winter sports, the program began preparations for the 2006 Winter Olympic Games. Eleven Soldiers were assigned to WCAP in the sports of biathlon, bobsled, and snowboard. Spc. Steve Holcomb and Spc. Mike Kohn returned to bobsled—this time as pilots—and began the 2004/2005 season with first and second place respective finishes in the two-man event. Spc. Kohn and pusher Capt. Lorenzo Smith also captured the national four-man bobsled championship. Army bobsledders qualified for the 2005 World Cup series with Spc. Holcomb driving USA 1 and Spc. Kohn and Capt. Smith in USA 2. Spc. Tuffield Latour was named head coach of the U.S. men's bobsled team and Spc. Bill Tavares was named head coach of the U.S. women's bobsled team.

Three WCAP Soldiers qualified for the 2005 Biathlon World Championships: Spc. Jeremy Teela, Sgt. Jacob Beste, and Spc. Jill Krause-Beste. They also earned spots on the U.S. National Biathlon team to represent the United States on the 2004/2005 Biathlon World Cup Circuit.

Pfc. Ryan Macdonald won the silver medal in the parallel giant slalom snowboard at the U.S. Alpine Finals in Breckenridge, Colo., earning himself a spot on the U.S. National Ski and Snowboard team for the 2005 World Cup season.

Army WCAP Soldiers traveled across the country to support 20 Total Army Involvement in Recruiting missions with school presentations, displays, community events, Delayed Entry Program functions, and autograph sessions.

The WCAP Soldiers also maintain Soldier skills. Two WCAP athletes were promoted from Private First Class to Specialist, 14 were recommended for promotion at Staff Sergeant/Sergeant promotion boards; three graduated from Primary Leadership Development Course and one from Basic Noncommissioned Officers Course. Seven officers were promoted to First Lieutenant and Captain. WCAP Soldiers also participated in NCO and Soldier of the Quarter competitions.



Capt. Matt Smith competed in lightweight four rowing at the 2004 Summer Olympic Games.  
- Photo by Tim Hipps



Capt. Anita Allen competed in the women's modern pentathlon.  
- Photo by Tim Hipps



Staff Sgt. Shon Lewis (left) coached a U.S. Olympic wrestling team that included Sgt. Oscar Wood (right) in the 66-kg weight class.  
- Photo by Master Sgt. Lono Kollars

## Fitness and Aquatics

In 2004, CFSC provided MWR fitness kits that included new strength training guides and Thera-Band® kits to help deployed Soldiers maintain muscular strength and resistance levels regardless of location or condition of employment. The guide fits into a Soldier's BDU pocket and provides instructional progression, rest, recovery, and muscle balance programs for all the bodys' major muscle groups. The Thera-Band® resistive tubing is portable, versatile, and easy to use. Additional requests for the popular kits came from Qatar, Baghdad, Kandahar, and agencies outside MWR such as the Army Surgeon General's Office.

In 2004, CFSC Sports & Fitness offered a seven-day training session for all installation athletic directors held in conjunction with the Athletic Business Conference's 75 seminars and the best trade show in the field. Training included sessions on common levels of support, installation status report, well-being, strategic action plan, facility design, MWR baseline standards, standardized job descriptions, and the Army civilian training, education and development system.

The CFSC contracted with Functional Fitness to train MWR fitness facility operators in safe and effective equipment operation. Training was conducted in the National Capital Region and Forts Carson, Lewis, Campbell, and Eustis (including Forts Story, Monroe, and Lee). Training evaluations were very positive for the hands-on training, and formal written evaluations will be conducted to analyze training effectiveness and use.

The Army participated in a DOD Business Initiative Council initiative to improve inadequate fitness facilities among the Army's 240 facilities on 127 installations. A "tool box" approach of options will address the delivery of fitness and sports programs, including renovation or replacement using military construction; public-private ventures; consolidation of facilities; individual installation contracts; and paid memberships in local fitness centers. OSD granted seed money to four installation pilot projects at Fort Lewis, Fort Carson, Selfridge ANGB, and Fort Gordon. These sites will analyze project results and report to CFSC after a year of implementation or after completion of the project.

Guidance issued in May 2002 from the Under Secretary of Defense requires a Unified Facilities Criteria for all DOD facilities. The CFSC is coordinating a criteria matrix that will become the DOD Unified Facilities Criteria for Physical Fitness Centers. A draft design will be completed by the end of FY05. In conjunction with the DOD BIC initiative, CFSC is also coordinating with OACSIM to analyze and crosswalk the real property on-hand

inventory, Installation Status Report ratings, and MWR Baseline Standards ratings (staffing, training, programming, and equipment) for fitness facilities. The outcome of this analysis will give commanders and other decision makers an integrated snapshot of the status of fitness facilities and programs. As a first step, Army installations must validate the ownership of fitness facilities against official HQDA records; to date, Southwest, Northwest, and Southeast regions have submitted input to the database.

The CFSC is coordinating with human resource proponents to update and standardize Army Civilian Training, Education, and Development System. Industry, Army, and DOD benchmarks for staffing and training will be used to identify job competencies and develop career ladders, training plans, and job descriptions. Standardized NAF position descriptions currently used by all installations to hire lifeguards and aquatic directors have already been updated, and CFSC continues to answer questions from the field on standards, regulatory guidance, lifeguard policies, and other technical aquatic questions.



(Top left) 1st Lt. Boyd Melson at the CISM Boxing Championships (photo by Tim Hipps); (right) Spc. Bevan Hart after releasing a shot-putt at the U.S. Outdoor Track and Field Championships (photo by Tim Hipps); (bottom left) Staff Sgt. Elizabeth "Libby" Callahan at the Olympics (photo by Tim Hipps).



## Community Recreation



(Above) The cast of the 2004 U.S. Army Soldier Show (photo by Tim Hippius). (Right top) the 2004 USA Express performing in Seoul, Republic of Korea, and in Mosul, Iraq (right bottom) (photos by Sgt. Charles Lier).



## Entertainment

### "Entertainment for the Soldier by the Soldier"

The US Army Entertainment Division continued to increase direct support to installation entertainment programs and deployed troops. Activity grew for the seventh consecutive year with the addition of two new installation entertainment programs, direct assistance in the renovation of theatre space at Fort Carson, and rejuvenation of several programs. USAED fielded BRAVO! and USA Express live entertainment tours to support Soldiers deployed to OIF/OEF.

The 2004 US Army Soldier Show celebrated its 86<sup>th</sup> anniversary. With the theme, *The Heart of a Soldier*, the Soldier Show staged 106 performances at 57 locations in CONUS and Europe, entertaining more than 106,000 patrons. The Show also traveled to Guantanamo Bay, Cuba in support of joint operations associated with the Global War on Terrorism.

The BRAVO! Army Theatre Touring Company produced *The Farley Family Reunion*, where for 90 minutes two actors playing six characters each presented Farley Family farm reports, contests, and history lessons to an audience treated as members of the reunion. This year's small and compact show staged 53 performances in Iraq, Afghanistan, Kuwait, and Korea before 4,143 Soldiers, other DOD service members, and civilians.

The Army Community Entertainment Program initiated a new Fort Carson entertainment program and continued program expansions at Forts Benning and Campbell. Programs were also reinstituted at Kaiserslautern and Schweinfurt, Germany, and an increased number of installations participated in the IMA-Europe *Topper* and One Act Play festivals as well as the Festival of the Performing Arts.

The Army represented the U.S. at the Liverpool International Theatre Festival in Liverpool, Nova Scotia, with Heidelberg, Germany's production of *The Last Five Years*, along with performances from eight other countries around the world.

Biennial Army Community Entertainment Directors Training was conducted in New York City in conjunction with the American Association of Community Theatre, with 41 installation, Regional, and USAED participants.

The Copyrights and Royalties Program reported 145 produced shows with 1,000 worldwide performances and a combined audience of more than 100,000 active duty, family, community and DOD civilians. The program earned \$1.2M in income for participating garrisons.

USA Express fielded one unit of military entertainers for an extended tour of 75 locations in Southwest Asia, Guantanamo Bay, Cuba, Alaska, and Korea. The successful show received enthusiastic responses from attendees.

The Army Entertainment Competitions office conducted two major Armywide contests and provided direct support for five IMA regional competitions in the performing arts. The All-Army Battle of Bands was held at Fort Carson, Colo., in October 2003, with competition from bands representing five IMA-Regions.

The "The Margaret "Skipper" Lynn "Stars of Tomorrow" Entertainment Contest was held at Fort Belvoir, Va., in November 2003. The contest showcased 24 Soldier participants representing the best amateur talent in the Army. Category and overall winners in both competitions received monetary awards for their installation BOSS and entertainment programs.

The 2004 Army Concert Tour presented 11 "big-name" concerts at CONUS installations with a diverse line-up of country and rock talent. Artists included Journey, Train, Kansas, Montgomery Gentry, the Honky Tonk Tailgate Party, Miranda Lambert, and other up and coming warm-up acts. Paid attendance was 42,404, an increase of 18.4 percent over concerts held in 2003, and total attendance exceeded 61,000. While installation investment reimbursed to CFSC was \$101.5K, a 12 percent decrease overall and the lowest amount in 5 years, both installation and CFSC revenue showed positive gains. Installation net revenue was \$493.7K and CFSC revenue was \$173.7K. In eight years, the concert tour program has generated \$3.97M for Army MWR elements and entertained 401,000 fans while bringing quality entertainment to installations across the United States.



## Libraries

Libraries continue to play a prominent role in the military community as the installation's corporate database and knowledge manager, as evidenced by their use and importance on major Army surveys. Army libraries offer remote and in-house access to reference and research materials, facilitate research, provide general collections, and refer customers to other information resources on and off the installation. Their collections, including electronic resources, emphasize Soldier educational requirements, both professional and off-duty education, mission requisites (including the Army Chief of Staff's Reading List), general information needs, lifelong learning, and recreation. Events highlight the collections, improve literacy and computer skills, enable collaboration between other MWR activities, and offer fun and diversion for family members.

Facilitated by CFSC central purchases that saved the Army \$8.1M, full-text online commercial databases and 3,000 e-books are accessible through the Army Knowledge Online portal and individual library web pages. With AKO, Soldiers and family members can, at any time, access information supporting a variety of knowledge requirements, to include practice tests for the SAT, ACT, CLEP, GRE, ASVAB, DSST, and the Military Flight Aptitude test. Recent additions are the *Army Times* family of newspapers and an online resumé service. Additional reference support to Soldiers is available 24/7 through the Armywide library service "Ask a Librarian" on the AKO Army Library Service web site. Soldiers around the world can post reference questions and receive responses from libraries that have been profiled to meet specific subject requirements and time zones.

A centralized, integrated General Libraries Information System was funded for 15 power projection platform installations. The IMA Europe Region library system joined this three year project, which should be accredited and certified in the summer of 2005 when Fort Campbell becomes the first to go online. The system will provide remote access to an individual user's library and to all libraries hosted on GLIS. Users will be able to register online within AKO for library services and to request and renew materials from off-site.

Army deployments were supported with music CDs, talking books, magazines, and recreational reading material. More than 20,000 books arrived monthly to OIF/OEF deployment locations. A "Read to the Kids" program was developed for implementation in conjunction with Video Messenger, that will be shipped in FY05 to power projection platform installations and to deployed sites in Iraq and Afghanistan. Video Messenger enables individual Soldiers to video themselves reading a children's book to their children while deployed or during predeployment. The resulting video or DVD is mailed home. The self-contained unit includes a camera, DVD recorder, DVD player, VCR player, instructions, and children's books. Europe purchased library kiosks for Afghanistan and Iraq that will permit online access to a variety of IMA-E licensed databases, online catalogs, AKO, and distance learning opportunities with Army Continuing Education Services.

A new web-based library statistics reporting system, Measurement, Tracking, Information, and Collection System, is undergoing final analysis and preparation before becoming a mandatory reporting system for library statistics. The system will gather and store collection, resource, service, automation architecture, and usage data from Army libraries. The MWR library program will have access by installation, regions, and total program consolidation.

MWR librarians competed successfully for professional training assignments throughout the year using Army Civilian Training, Education, and Development System funds. A successful Army Library Institute was held in Kansas City in April 2004 that included sessions on developing and marketing new programs, knowledge management/content management, the OCLC group catalog, and consortium building.



From whitewater canoeing, mountaineering, hunting, and biking, Army outdoor recreation programs build healthy minds and bodies.

## Outdoor Recreation

Participation continued to increase throughout 2004 in the Army's popular outdoor recreation programs. The Army outdoor recreation program conserves, develops, and uses outdoor recreation resources for the benefit and enjoyment of the military community. The program helps commanders develop and maintain high morale by providing opportunities for military personnel and their families to participate in healthy outdoor recreation activities. The ODR program emphasis is on providing learning opportunities to acquire new lifetime skills, developing existing skills, and progressing to advanced levels in activities.

The correlation between outdoor recreation and the military mission is based on elements of adventure, wellness, and fitness. Outdoor recreation is recognized as a contributing factor to military mission readiness through these leisure skill programs. As Soldiers become more familiar and skilled with outdoor recreation skill pursuits, they consequently experience practical know-how in natural environments similar to those where their military mission may take them.

Installation ODR staffs provide a wide variety of high-quality equipment, a wide range of introductory classes, and specialized programs to meet customer needs and interests. High adventure and wilderness activities such as geocaching, rock climbing, and white-water rafting top the list of patron interests. The trend toward high adventure activities continues to draw young Soldiers and youths faster than any other user group.

Installation ODR programs continue to support the families of deployed Soldiers by offering programs that meet their varied needs and schedules. Recreational lodging and recreational vehicle/campgrounds were the program leaders in generating revenue, followed by equipment/sales centers and marinas. A fourth group of recreational vehicle and campground managers completed training in FY04 that leads to certification in park operations. Armywide, 49 managers have now completed this training, ensuring that the Army's recreational vehicle parks and campgrounds available to customers maintain a high standard of quality and service.

The major challenge for outdoor recreation in the future will be to sustain programs and services at a time when resources are limited or not available.



## Community Recreation



The 2004 All Army Chess Team.  
- Photo by Kris D'Alessandro



Army automotive skills provides safe, clean, environmentally friendly facilities for do-it-yourself car repairs. Most facilities, such as the new car wash at Vicenza, Italy, also satisfy that simple pleasure of washing your new car.  
- Photo courtesy of IMA-Europe

### Community Recreation Centers

Community Recreation Centers deliver a full range of social, educational, cultural, and recreational opportunities to the military community and promote mental and physical fitness. Installation CACs provide a single location for recreation and leisure activities such as arts and crafts, wood crafts, special events, meeting rooms, internet cafés, big screen TV/DVD viewing, board games, chess, darts, billiards, and food and beverage operations.

The tradition of military chess dates back many years. The 2004 All-Army Chess Championship hosted 12 top chess players from the U.S., Europe, and Korea competing at Fort Myer, Va., for advancement to the Interservice Chess Championships. The interservice chess tournament, hosted by the Air Force at Keesler Air Force Base in Biloxi, Miss., consisted of 24 players (six from each service). Based on this competition, six players (one Army, one Marine Corps, two Air Force, and two Navy) were selected as the U.S. Military Chess Team to participate against 12 other NATO countries in Den Haag, Netherlands.

Army CACs provide efficient and effective programming that meets customer needs. A Learning Resources Network course of instruction, the Program Management Institute, is now available Armywide for recreation personnel and offers a one week course leading to certification as a program planner. The course focuses on finance and budgeting, marketing, promotion, needs assessment, program development, program analysis, pricing and program management. More than 120 recreation professionals were trained in 2004 in five classes (four in CONUS and one in Europe). In 2005, a level II advanced class will be offered for recreation professionals using what was learned in the first class.

The CFSC is coordinating with Clemson University to study how recreation benefits Soldiers, families, and civilians. A benefits-based programming model can help recreation staff identify, document, and articulate installation social problems. The garrison can then develop unique programs to address requirements and analyze participation data to determine whether the program had the desired positive result. Outcomes can be measured prior to and following program implementation. Through carefully worded surveys that participants fill out before and after participating in a program, the garrison can assess how the program affects the Soldier's attitudes toward the Army, participants' feelings toward the Army core values, resiliency factors, and program impact on Soldier retention. This information will be used to improve Armywide and garrison recreation programs and to better articulate funding requirements. Results from five Army pilot sites will be printed in professional publications.

### Automotive Skills

The Army Automotive Skills program operates 90 facilities with 1,350 indoor and 1,400 outdoor work bays. Most programs operate car wash facilities, and six OCONUS locations provide stripping and parts yards. Servicemembers clock more than 3.9M hours annually in automotive skills shops. On average, Soldiers save \$40 per hour, or \$156M annually, by utilizing self-directed vehicle repair.

Training programs delivered by CFSC to Automotive Skills program managers included sessions at the Automotive Aftermarket Week event and the Car Care World Expo, both in Las Vegas, Nev. Installations continue to achieve mechanic certification through the National Institute for Automotive Service Excellence, broadening staff expertise and increasing value to their customers. Vicenza, Italy added a new automatic roller-brush car wash in 2004.

Garrison auto crafts programs recognized through the Army recreation awards program as Outstanding Auto Crafts Programs of the Year for 2003–2004 were: Vicenza, Italy (medium installation) and Fort Rucker, Ala. (large installation). Congratulations to these fine programs!



*Downtime*: 1<sup>st</sup> place winner in the 2004 All-Army Photography Contest (Division I, black and white print, Military Life category).  
- Photo by Pfc. Scott A. Stewart, 3rd Battalion, 7th Infantry, Fort Stewart, Ga.

## Information, Ticket & Reservation Offices

Army ITR operations were impacted by the rotation of military units to and from Iraq and Afghanistan in 2004. The program reflected very uneven financial performance from location to location, depending on the deployment phase that the particular installation experienced. Financially, 2004 was an average year; however, the program reported positive NIBD after deducting UFM reimbursement, which can only be regarded as encouraging given the continuing strain of OPTEMPO.

ITR financial reports for 2004 credit the program with positive NIBD of \$1.5M. A total of \$856.1K was provided under USA/UFM practice/process. After this deduction, plus an adjustment for commercial travel concession fees erroneously attributed to the ITR office, the program generated adjusted NIBD of \$680K.

Concession fees paid to Army MWR funds by travel contractors totaled \$1.15M in 2004, of which Europe generated the largest amount at nearly \$400K. CONUS locations accounted for about 25 percent of Army Commercial Travel Office fees. In 2004, CONUS locations continued to lose leisure travel offices. At the end of the year, Carlson announced it would withdraw from its contract to provide leisure services to the Pentagon.

In another major development, airlines terminated commission payments on most international flights. Europe declined to add an MWR share to the transaction fee charged by the commercial travel contractor, SatoTravel; as a result, Europe is unlikely to continue as a source of CTO concession fees in 2005 and beyond. At Europe's request, CFSC asked the Defense Travel System Project Management Office, which is responsible to procure all future official travel services contracts for DOD, to include leisure services as part of the contract for Europe. The PMO agreed to include leisure services for the two year basic term of the contract. Korea awarded a contract for leisure and official travel services in early 2004; when the PMO assumed responsibility for the official travel portion of the contract, Korea was required to recomplete leisure services as a separate contract.

In CONUS, Fort Campbell withdrew from a leisure travel services contract for Defense Travel Region Six. Through May 2004, the contract paid the Fort Campbell IMWRF \$8.9K. For the balance of the fiscal year (4 months), the Fort Campbell ITR office averaged more than \$8K per month in commission payments from sales of cruises and vacation packages that had previously been handled by the contractor.

The annual Exodus was complicated by an announcement in March that there would be no Exodus in 2004; this decision was subsequently reversed in May. The airlines responded to the short notice by providing few waivers to Soldiers traveling as part of the annual movement. More Soldiers used alternatives to on-post travel offices than ever before to a degree that some installations report their contractors may not continue to support leisure travel if future Exodus movements continue to result in declining patronage of on-post CTOs. Army Exodus installations, in coordination with TRA-DOC, must review procedures to be used for booking future Exodus airline reservations.

ITR offices now support the drive market to most CONUS destinations, in addition to providing discount cruises, vacation resort packages, and affordable travel to previously unaffordable destinations that Soldier focus groups have identified as their first choices.



Schweinfurt Arts and Crafts class.  
- Photo by Betty Haywood

## Arts and Crafts

The partnership agreement between the Army and the National Endowment for the Arts brought Shakespeare performances to Selfridge, Mich., Fort Riley, Kan., and Fort Leavenworth, Kan., throughout September and October 2004. A second project with the NEA brought military-theme writers to Fort Drum, N.Y., Vicenza, Italy, and Fort Richardson, Alaska in 2004 to conduct creative writing workshops on writing about the wartime experience. A fourth writing workshop is planned for Fort Bragg, N.C., in 2005. New cooperative projects with the NEA planned for 2005 include bringing opera and musical theatre to military installations and expanding writer workshops to include a tour of "Beyond Glory," a play written and performed by Stephen Lang about Medal of Honor-recipient war heroes.

The 2003 Army Photography Contest was judged in July 2004 at the NEA in Washington, DC. Through the NEA partnership, a moderator, two judges, and the venue were provided by the NEA. The new Army Arts and Crafts competition, that combined the Fine Arts contest with the Designer Crafts contest in 2004, garnered 196 entries. Contest results will be announced in February 2005. Judges were art professionals from universities and the National Gallery of Art who had very favorable comments about the high quality of the art works entered.

Arts and Crafts programs recognized as outstanding through the Army recreation awards program for 2003-2004 were: Ft. Monroe, VA. small installation award; Grafenwoehr, Germany; medium installation award and Wiesbaden, Germany, large installation award.

Training programs delivered by CFSC in 2004 included Army training in conjunction with educational sessions at the crafts trade show, Hobby Industry of America in Dallas.

Despite continued troop deployment in 2004, patron use of Arts and Crafts facilities continued to reflect that the program is in demand, supporting family members, and creating a nurturing and supportive environment when our troops deploy.



"Cradle" by MAJ William Wong, Fort Riley, Kan., took 1<sup>st</sup> Place in the novice wood category in the 2004 Arts and Crafts Contest.  
- Photo by Linda Ezernieks



## Business Programs

### 2004 James A. Carroll, Jr., Awards

#### Officers' Club

David Roudybush Fort McNair, D.C.

#### Community Club

Jutta Morgan Kaiserslautern, Germany

#### Food, Beverage and Entertainment

Jean Neal Fort Knox, Ky.

### 2004 Excellence in Management Awards

#### Golf

Richard Bond Selfridge, Mich.

Michael Casto Fort Jackson, S.C.

#### Bowling

Terry Wilcox Katterbach, Germany

Jim Cantrell Fort Benning, Ga.

#### Leisure Travel

Kimberly Brown Fort Eustis, Va.

Sabrina Ross Fort Bragg, N.C.

#### Most Improved Facility

Mark Siple Hanau, Germany

Figure 5-7



The new Habanero "Fresh Mex Grille" in the Ben Franklin Village Bowling Center provides made-to-order Tex-Mex food.  
- Photo courtesy of CFSC Business Programs

## Clubs and Food, Beverage and Entertainment

Army CFBE operations are an integral part of business operations in Army communities and contribute essential funding to support MWR programs. The Army operates 227 worldwide CFBE facilities with a wide variety of programs and services enhancing unit readiness and supporting community social needs.

For FY04, the Army's CFBE program—including some clubs that have Army-branded/theme food and beverage operations located within their facilities—recorded NIBD of \$11.1M on net revenue of \$168.7M, for a return of 6.6 percent (the FY04 MWR BOD standard is 8.0 percent NIBD). Net revenue for CFBE decreased \$1.4M, or 0.8 percent, when compared to FY03. Army Recreation Machine Program reimbursement, down \$681K or 14.8 percent, was the largest factor in the decline of both net revenue and NIBD for the CFBE program in FY04.

More and more management effort is being directed at reducing and eliminating losing operations. Army benchmarks for food and beverage operations are also evolving, making them more applicable to everyday use and a valuable tool to evaluate and compare programs.

Bingo, a cornerstone of most Army CFBE operations, continues to thrive. In FY04, the Army's bingo program generated NIBD of \$7.5M on net revenue of \$43.0M, for a return of 17.5 percent.

A catering module is under development as a "how to" guide for catering managers. Scheduled for introduction in FY05, the module will include suggestions on how to set up a catering office for optimal operations; samples of brochures, menus, follow-up letters, and proposals; hundreds of resources; latest catering trends; ideas for "themed" events; customer handouts for wedding planning; and much more.



Spc. Patrick Rutherford enjoys bingo night at Al Jaber Air Base, Kuwait.  
- Photo by Tech. Sgt. Dave Buttner

## Themed Food and Beverage Operations

In FY04, 53 Army MWR theme operations and 15 Orion Food Systems restaurants were open around the world. These restaurants, both full-service and quick-service, met customer demand for fast casual dining on Army installations and generated total revenue in excess of \$20M. The program expanded to the other services as the Marine Corps, Air Force, and Coast Guard signed memoranda of agreement with CFSC to operate theme restaurants/snack bars on their bases. Theme restaurants are currently open at Marine Corps Air Station Beaufort, S.C. and Menwith Hill Station Air Base, England.

The newest brand to join the Army's portfolio was Habanero, "Fresh Mex Grille" which opened in October at the Ben Franklin Village Bowling Center, Mannheim, Germany. The new Habanero brand represents collaborative efforts between 26<sup>th</sup> Area Support Group and CFSC personnel to create and launch an exciting, quick-serve Tex-Mex food concept offering jumbo made-to-order burritos, soft shell tacos, quesadillas, nachos, and more. Guests can "custom order" a meal by choosing their favorite ingredients for burritos and tacos. Habanero's focus is on freshness and guest value in a fun, upbeat, colorful atmosphere.

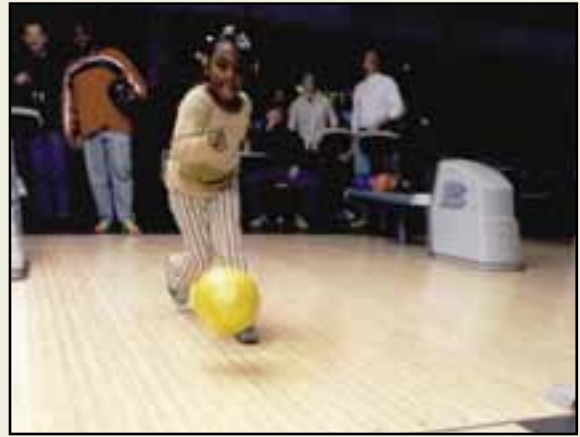
The Name Brand Fast Food program enables installations to respond to market demand by offering nationally recognized quick service restaurants in MWR facilities. To date, 47 assessments resulted in 24 outlet recommendations. A Subway sandwich shop opened in January, 2003 at the Walter Reed Army Medical Center, Washington, D.C. as the first Army NBFF outlet. Thirteen additional NBFF outlets have since opened, including a Dunkin' Donuts shop in the Walter Reed Hospital lobby in September 2004 and a large, standalone coffee shop, "Mainstreet X-presso" at Fort Bliss, Texas in December 2004. A collaborative effort of Fort Bliss MWR, CFSC, and AAFES, Mainstreet X-presso features Starbucks® coffee and retail merchandise and a wide selection of fresh pastries and pannini grilled sandwiches in a new facility equipped with indoor/outdoor seating and a drive-through window that mirrors upscale civilian coffeehouses.

The Name Brand Casual Dining initiative was developed to meet a demand for casual sit-down dining and to generate maximum revenue for Army installations. The first unit to open was a T.G.I. Friday's restaurant at Patrick Henry Village, Heidelberg, Germany, in January 2004. This unit generated revenue well in excess of initial projections for the year, and the initiative is set to expand with several installations that have requested consideration for on-site project validation assessments.





The 2004 U.S. Army Golf team with the Fort Carson and 7th Infantry Division's Mounted Color Guard.  
- Photo courtesy of Fort Carson



Army patrons bowled 8 million lines in 103 bowling centers in FY04.  
- Photo courtesy of CFSC Business Programs

## Golf

The Army's 58 golf courses recorded NIBD of \$11.0M on net revenue of \$68.5M in FY04—a return of 16.1 percent compared to the MWR BOD standard of 19.0 percent NIBD. Excellent playing weather was the primary contributor to a 87.6 percent improvement from FY03 NIBD—particularly in the Eastern seaboard regions. Deployment of approximately 160,000 Soldiers to Iraq and Afghanistan had a pronounced impact on leisure time available to devote to golf—both for the Soldier and for the family members left behind. Southeast, Northeast, and Korea Regions all had positive NIBD variances exceeding \$1.2+ million from FY03 results. Green fees increased \$4.5M and reflect overall increased play and price increases.

Fort Carson, Colo., hosted the All-Army Golf Trials and the Armed Forces Golf Championship from 13-25 September. These events showcased Army golf and featured a horse-mounted opening ceremony for the athletes. The Army team represented the Army well, not only with their golf skills but with their Soldierly qualities as well. Fort Jackson will host the next All-Army Trials in June 2005.

Training of managers and superintendents remains a paramount priority for the golf program. Texas A&M University hosted a Golf Course Superintendents' Course with 22 superintendents representing all four services attending training in December 2003. With funding for course improvements becoming scarcer, Army Day presentations focused on low-cost course improvements. Core subjects provided by Texas A&M included agronomy, irrigation, and developing a maintenance plan. Fifty-five managers and supervisors also attended the PGA/Armed Forces Golf Managers' Seminar in Orlando, Fla., in January 2004, which was immediately followed by the PGA Merchandise Show.

The focus for Army golf is in "Grow the Game" initiatives. Major emphasis is on gaining administrative approval to allow honorably discharged veterans to play Army golf courses. To date, Fort Lee, Picatinny Arsenal, Fort Jackson, Selfridge ANGB, Fort Leavenworth, and Fort McPherson allow local veterans to play their courses. This win-win initiative sends a big "Thank You" to veterans for service to their country and provides revenue enhancements to the golf program.

Construction efforts to improve infrastructure and to achieve better balance in facilities and course quality continued with golf clubhouse project validation assessments conducted at Camp Zama and Forts Bliss and Sill. Funding is on hold for golf course maintenance facilities at Carlisle Barracks, Fort Shafter, and Camp Walker, Korea.

## Bowling

In FY04, the Army operated 103 bowling centers containing 1,830 lanes. Patrons bowled 7.9M lines to produce \$42.3M in net revenue and \$4.2M NIBD (9.9 percent of net revenue). Performance was off slightly from FY03's \$43.9M net revenue and \$4.4M NIBD (10.0 percent of net revenue). A decline in usage due to force protection issues and combat operations which began in FY02 bottomed out, and revenue sources such as birthday parties, special events, alternative leagues, and local tournaments offset declines in customer usage. Total lineage consisted of 61 percent open, 25 percent league, and 14 percent tournament and other types of bowlers—consistent with FY03. The MWR BOD "green" standards for FY04 were breakeven for Category B and 19 percent NIBD for Category C centers. In FY05, the Category B standard remains at breakeven and the Category C standard increases to 20 percent.

Construction initiatives included:

- A renovation at Fort Leonard Wood, Mo., included new lanes, pinsetters, concourse redesign, Strike Zone snack bar, and a new billiard and game room.
- A renovation at Camp Humphreys, Korea included new lanes, pinsetters, bumpers, a party room, and a state-of-the-art sound and light show utilizing AMF and Brunswick glow-bowling packages, 42" LCD flat screen digital monitors, 16' TV screens over lanes, and a Karaoke juke box broadcasting over the center's 25 TV sets. When opened, the center averaged 50 games per lane per day with two-hour waiting lists.
- A renovation project at Fort Campbell, Ky., included a complete interior renovation, pinsetters, bumpers, masking units, a redesigned snack bar, and a glow-bowling sound and light package.
- Modernization/expansion of centers is planned for Stuttgart and Weisbaden, Germany; Redstone Arsenal, Ala.; Camp Carroll, Korea; and Vicenza, Italy. New or renovated centers are planned for Fort Bragg, N.C.; Fort Gordon, Ga.; and Fort Lewis, Wash.
- Europe's light and sound modernization plan was completed with projects at Illesheim, Giebelstadt, Friedberg, Coleman Barracks, Kitzingen, and Baumholder, Germany, and at SHAPE, Belgium.

The All-Army Trial Camp at Fort Meade, Md., in December 2003 included 20 men and 7 women competing for the All Army Bowling Team. The top 12 Soldiers represented the Army at the Armed Forces Bowling Championship in Las Vegas, Nev., in January 2004. For the first time, the Armed Forces Bowling Tournament joined with the USA Bowling National Amateur Tournament, allowing team members to compete for Team USA.

Ten Army managers were certified at Level I in the two-level Joint Service Bowling Center Management Certification Program. The Professional Bowler's Association made a one time donation of pro shop items valued at \$100K to the Army that were shipped to bowling centers for promotional use.



## Events

In FY04, the Events Division focused on customer loyalty promotions, new initiatives, and promotions targeted at generating new customers for Army clubs, bowling centers, and golf courses. Three of the most successful promotions were revamped and brought back by popular demand.

Forty-eight installation golf managers signed on to participate in a second Lucky Bucket Sweepstakes driving range promotion—designed to attract new golfers and reward regular patrons. Though last year's income increased by \$86K, this year's results yielded an increase of just over \$18K. The promotion ran for 9 weeks, 1 May through 30 June, with one uniquely colored ball placed into the range-ball machine each week for instant win prizes. Based on last year's feedback, a Sony Play Station 2 unit was added as a local grand prize for every participating location. Weekly winners had a chance to win one of several prizes, such as a digital camera, luggage, a George Foreman grill, and a sports watch. In addition to local prizes, 6,000 entries were placed in a drawing at CFSC for three golf vacations. Mr. Jeremy Lowry (Fort Rucker, Ala.), Staff Sgt. Robert Hinojosa (Fort Buchanan, Puerto Rico), and Sgt. 1<sup>st</sup> Class Antonio Laszacs (Fort Leonard Wood, Mo.) were the "lucky" recipients of 7-night resort vacation accommodations and \$500 for travel expenses courtesy of promotion sponsor [www.Govarm.com](http://www.Govarm.com) in conjunction with their partner [www.tradingplaces.com](http://www.tradingplaces.com).

The Events Division partnered with Anheuser-Busch to bring "Quarter Bouncers 2004" to 80 Army food and beverage locations worldwide from 1 February to 5 March 2004. Developed as a spin-off from Anheuser-Busch's national promotion and held in conjunction with the college basketball season, Quarter Bouncers featured a tabletop game that challenged participants to 'bounce' as many quarters into a hoop as possible within a given amount of time. Weekly and facility winners won local prizes, and the best overall Army team won an all-expense paid trip to compete in the National Quarter Bouncers tournament in Las Vegas. Referring to themselves as the "Quarter Masters," two Fort Lee Soldiers, 1<sup>st</sup> Lt. Rob Gamble and 1<sup>st</sup> Lt. Steven Wallace, were selected to represent the Army against 64 top teams at the national competition. Though eliminated in the first round, the Soldiers called the event "first class."

In keeping with the popularity of NASCAR, the Events Division partnered with Miller Brewing Company to offer the "Miller Lite Brickyard 400 Sweepstakes" from 1 April to 30 June 2004. This turnkey promotion for 144 Army food and beverage facilities featured instant-win scratch cards with prizes of racing towels, shirts, caps, coolers, and soft drinks. The promotion also included an enter-to-win sweepstakes offering prizes of four all-expense paid trips for two to the Brickyard 400 in August. The four winners, randomly selected from 11,500 entries, were Joe Fischet (originally from Fort Bliss where he picked up his winning NASCAR entry form), Chris Hertzog (active duty Coast Guard training at Fort Eustis); Melissa Loubengeiger (civilian employee at West Point, N.Y.) and Maj. Joe Parchem (Fort Rucker, Ala.).

In an effort to generate new league bowlers, Army bowling centers were offered an opportunity to participate in one of the popular bowling clubs from Leading Edge Promotions. Sixty Army bowling centers offered the Spider Man/Hulk Action Heroes Bowling Club program from August 2003 to February 2004. Reports from Leading Edge Promotions indicated that 30 centers "floored" a bowling club and placed orders for merchandise. The promotion consisted of three 17-week club sessions where youth and/or adult bowlers committed to 17 weeks of bowling at a fee of approximately \$10/week. At the end of each session, the bowlers received a custom Spider Man or Hulk Viz-A-Ball. Approximately 411 bowling balls were given out as a result of this promotion.

Seventy-nine bowling centers participated in a Bowling Bucks promotion—a two-month customer loyalty promotion that brought back the popular Striker plush toys with new plush pals and other prizes. Patrons received "bowling bucks" with every purchase of \$5 or more. This "funny money" was used to purchase the toys or saved to bid on prizes at the end-of-promotion auction. Bowling centers could designate any 2-month period from April to August to run the promotion. One of the auction prizes at each location was a 7-day resort vacation stay courtesy of [www.GovArm.com](http://www.GovArm.com). Managers in Korea reported positive promotion results, and other locations such as Fort Sill reported lineage up by 7,000 over the same period in 2003, and Heidelberg lineage revenues increased by \$15,000. Other centers reported lineage was down due to troop deployments and gate closures, but that the promotion was a big boost to bottom lines.



## Joint Services Prime Vendor

The Joint Services Prime Vendor Program began in 1991 as an initiative to combine the purchasing power of Army, Navy, Marine Corps, Coast Guard, and Navy Exchange food activities. The program currently sends products to 800 food activities across the continental U.S. and into 14 overseas countries.

Current food activity participants include officer and noncommissioned officer clubs, enlisted clubs, community clubs, bowling and golf snack bars, military school systems, child care, military hotels, recreation centers, sports activities, Army lodging, Senate restaurants, Pentagon private dining rooms, and OCONUS NAF warehouses in Europe and the Far East. The participant list continues to grow as more Coast Guard activities and Navy Lodges join.

Contracts save in two significant ways: by establishing a set markup above supplier's costs and by obtaining rebates and discounts from manufacturers. The combined purchasing power of participants totaled \$116M in FY04, an increase of 13 percent from FY03. Combined rebates and off-invoice discounts obtained from manufacturers totaled nearly \$1.6M in FY04, with \$1.1M in rebates sent directly to participants—an increase of 10.9 percent from FY03. Off-invoice discounts increased 9 percent to \$434K. Total FY04 participant savings reached \$16.5M, or 14.2 percent.



## Recycling

After 20 years of direct MWR involvement in installation Qualified Recycling Programs, the business of recycling has changed substantially. Most "easy to get" material has been collected, sorted, sold, and recycled. With day-to-day functions still remaining, emphasis is on simplifying operations to reduce expenses and expand into other, profitable items. Almost all MWR-operated QRP's continue to report a positive bottom line. In FY04 overall revenue was \$6.5M with a \$1.7M NIBD—an increase from FY03. As QRP's mature, annual results reflect variations in product marketability, daily pricing of recyclables items, and the timing of fund transfers by the garrison commander from the installation recycling suspense account to the recycling program.

More and more items are being recycled in the private sector, which reduces prices paid for Army recycled goods. However, parity should be reached as demand for recycled content items increases, and, except for spot overages and shortages, prices should stabilize. The Federal Government's list of products that require recycled content materials should increase demand for Army products and allow the removal of more items from the solid waste stream. Installations should ensure close coordination with their DPW, Environment, and other offices, as there are continuing requirements (i.e., the DoD's Pollution Prevention Measure of Merits program requires systematic reporting of recyclable and solid waste disposal quantities).

Installations with approved QRP's may keep the net proceeds of recycling sales (after expenses) for use by commanders for pollution abatement, energy conservation, and occupational safety and health projects. Up to 50 percent of the net balance may be used in these areas, and the balance (at least 50 percent and up to 100 percent if the commander does not fund the first group) may be turned over to MWR. A balance in the suspense account in excess of \$2M at the end of a fiscal year must be returned to the U.S. Treasury. Commanders should ensure that funds are distributed from the suspense account in a timely manner and that items recycled thru the QRP have a positive or a breakeven return. To maximize installation recycling while not acting as a detriment to the QRP, items that do not qualify for the QRP should be recycled by other means and other offices to ensure credit is received to meet the Measure of Merits' goals.



Sixty-two Army bowling centers took part in a late summer customer loyalty promotion utilizing merchandise donated by the Professional Bowlers Association. Centers received stamp cards and promotional materials, and patrons bowling 12 games could redeem the cards for a bowling pin bank or a towel. Those who completed the card by bowling all 25 games received a nylon ball bag. Two thirds of reporting centers stated that revenues and lineage for 2004 were up from the same period in 2003. Centers that did not experience an increase in revenue reported Soldiers as deployed or participating in field-related exercises.

Other Events Division initiatives designed to help installation DCAs and their staffs included:

- Distribution of 2,000 copies of the third edition of the popular 15-month calendar as a planning tool for managers of revenue-generating MWR activities. Comments from managers continue to be overwhelmingly positive, with several using the calendars as part of their business meetings and long term planning sessions. Calendar are being used by staff throughout all of MWR.
- Distribution of a new Party Planning & Resource Guide and marketing materials to 135 food and beverage activities to help promote facilities as "party headquarters" on the installation. Kits include banners, balloons, staff buttons, and other materials to plan and market new and unique unit or group functions. The guide is available at [www.mwrpromotions.org](http://www.mwrpromotions.org).

Initiatives being coordinated for possible implementation in FY05 include:

- A "Military Idol" competition at 48 installations, with winners from each location advancing to an Armywide competition. CFSC is working to secure sponsorship that will ensure a first-class event for installations. Installation event dates are tentatively set for August to September with Armywide competition in October. Point of sale materials, competition prizes, and travel costs for winners to participate in the Army competition will be provided by CFSC. There will also be a food and beverage promotion during this time frame with CFSC providing prizes and other materials. Detailed guidance, along with a list of installations selected to host the competition, will be released in the Spring of 2005.
- Comprehensive cross-promotions with other elements within the MWR community at multiple installation locations. Promotions will include the Army's branded theme restaurants, a "Lighten Up! Tighten Up!" promotion for clubs and other food & beverage activities, sports and fitness programs, and Military Idol.





Northern Lights Inn, Fort Wainwright, Alaska.

Army Lodging



Operations at 93 garrison locations support the Army Lodging mission to provide customer-focused, mission-driven lodging and hospitality services that support readiness of the total defense force worldwide. Ninety-one percent of the 5.6M occupied room nights in FY04 directly supported temporary duty or permanent change of station travelers.

With average revenue per occupied room night at \$38.05, use of Army Lodging saved \$186M in official travel costs (compared to lodging per diem) and \$25M in savings to space available travelers. The 76.8 percent occupancy rate of available room nights at Army Lodging's 21,236 guest rooms provided \$215M in total NAF revenues. Charged with operating on a breakeven basis to supplement shortfalls in APF, Army Lodging revenues supported \$136M in operating expenses, \$35M for local facility sustainment and created \$44M in support of the centralized Army Lodging new construction and major renovation program.

New construction under the Army Lodging Wellness Plan satisfies demand, consolidates operations, reduces operating costs, and most importantly provides a quality hotel experience for Soldiers and their families. The Wellness Plan celebrated the opening of its first hotel at Fort Wainwright with a grand opening ceremony on August 6, 2004. Construction started in April 2003 and was completed two months ahead of schedule. The \$19M, 90-room Northern Lights Inn supports the travel needs of families on a permanent change of station and temporary duty personnel. The Northern Lights Inn features 45 extended-stay rooms and 45 family suites. The new hotel also includes a lobby and continental breakfast area, administrative offices, a conference/training room, guest and in-house laundry areas. The Inn is one of the first facilities to reflect the new Unified Facilities Criteria for AntiTerrorism and Force Protection, incorporating laminated windows, setbacks from roads and other buildings, and restricted access through the use of electronic key locks for guest rooms and exterior guest entrances.

2004 Army Lodging Awards		
Operations of the Year		
Small Category	Baumholder, Germany	
Medium Category	Schweinfurt, Germany	
Large Category	Camp Zama, Japan	
Super Category	Fort Leonard Wood, Mo.	
Manager of the Year		
James Weber	417th BSB, Germany	
Supervisor of the Year		
Shirley A. Rentz	Fort McCoy, Wis.	
Employee of the Year		
Robert C. Bollin	Fort Leavenworth, Kan.	

Figure 5-8



Guests check in at the Northern Lights Inn.



Lobby of the Northern Lights Inn.

Product standardization and consolidated purchasing initiatives continued to provide consistent products and financial benefits through centralized contracts and consolidated buys. Consolidated buys executed at the International Hotel/Motel and Restaurant Show saved Army Lodging activities \$472K over and above already discounted government contract prices on \$6.4M in purchases. Since the first consolidated buy in 2000, the program has saved \$1.6M on \$21M in purchases. Central contracts for standard hotel linen, amenities, registration supplies, and other consumable items saved \$350K.

The partnership between Army Lodging, AAFES, and Sprint telecommunications has brought hospitality communications systems to 28 sites to date, to include the capability to offer high speed internet connectivity and pay-per-view options based on local demand. AAFES paid \$541,055 in commissions to lodging activities on telecommunications services in FY04.

The newest addition to the Army Lodging Standard Products Initiative is credit card processing services. The contract was awarded in FY04 to Columbus Bank & Trust. At the end of FY04, eight installations were processing with CB&T and five installations were preparing for conversion.

Army Lodging expanded the capacity for future savings through the FY04 transition of five out of seven Installation Management Agency Region lodging operations to a central supporting contracting office. This consolidation supports all Army Lodging purchasing requirements and will save the program an estimated \$200K annually in overhead support as well as position the program for future expansion of standard products and consolidated buy initiatives.



A partnership between the Lodging Success Program and 34 commercial hotels resulted in 202,884 discounted room nights in FY04, an increase of nine additional contract commercial hotels and approximately 21,000 discounted room nights over FY03. Army travel accounts saved \$5.7M in FY04 compared to \$4.1M in FY03, benefiting from reduced room rates that averaged 20 percent below the area lodging per diem rates. The program has expanded under the Military Training Service Support Business Initiatives Council action to provide contracted reduced room rates and central billing for Army Soldiers in training. As a part of the DoD BIC Commercial Lodging Management, the LSP was approved for expansion to the other services, and in FY05 will expand to Langley Air Force Base, Camp Pendleton Marine Corps Base, MacDill Air Force Base, and 14 additional locations.

The Central Reservation Center fielded 109,201 calls during FY04 (a decrease of 25 percent from FY03) and booked 308,168 room nights (a 23 percent increase). In its ninth year of operation, the Central Reservations Center marked a significant milestone: on April 8, 2004 the number of customer calls received by the Central Reservation Center topped one million.

Army Lodging training initiatives for FY04 included:

- Web-based Occupational Safety Health training conducted by contract with WebFire Training; this contract provides online training in English and Spanish at [www.webfiretraining.com](http://www.webfiretraining.com).
- Twelve courses of Continuing Professional Development for garrison Army Lodging managers and supervisors provided by Penn State University. Lodging employees can receive a Certificate in Advanced Hospitality Management and a Certificate in Strategic Hospitality Leadership. Courses enhance basic and advanced hotel management skills for installation lodging managers and mid-level/supervisory personnel.
- New or updated American Hotel and Lodging Educational Institute Performance Plus Program packages for 70 garrisons. This program revitalizes local lodging-specific line level training, and includes four train-the-trainer sessions in Germany, Hawaii, Fort Gordon, and Fort Leavenworth during FY04.



## Armed Forces Recreation Centers

The four centrally-managed, CFSC-operated Armed Forces Recreation Center resorts are Joint Service facilities that provide quality, wholesome, affordable, family-oriented vacation recreation opportunities to authorized patrons of the Total Defense Force. AFRCs support readiness, retention, and well-being with high-quality, affordable, resort-style facilities reflecting the Army's philosophy that Soldiers are entitled to the same quality of life they are pledged to defend.

AFRCs generated total revenue of \$123.4M and NIBD of \$19.4M in FY04, an increase from FY03 revenue of \$106.3M and NIBD of \$16.2M. Improved performance was primarily attributed to the reopened Shades of Green® after a two-year hiatus to construct a 299-room expansion and improved performances at the Hale Koa Hotel® and Dragon Hill Lodge®. Collective AFRC occupancy was 94.1 percent of 600,000 room-nights available for sale in FY04. Expansion of the Shades of Green® and construction of the Edelweiss Lodge and Resort increased total room inventory from 1,769 guestrooms to 2,135.

### Hale Koa Hotel®

The Hale Koa Hotel® lies on Fort DeRussy on the island of Oahu. With 72 acres of prime land and boasting 60 percent of the total green space in Waikiki, the 817-room two tower resort is mere steps from a stunning view of Diamond Head on Waikiki Beach. The Hale Koa Hotel® is one of the world's top rated hotels with occupancy averaging 97 percent year round and offering guests a wide variety of amenities, services, and special events. The deployment of 9,000 Soldiers from Schofield Barracks and the activation of local National Guard and Reservists in support of OIF/OEF decreased the hotel's market base in FY04. The hotel continues to offer special packages to servicemembers on R&R and Block Leave from service in OIF/OEF—vacation packages well received from both servicemembers and their families.

The construction of a new Lu'au Garden with covered guest seating under Hawaiian-themed structures enables the Hale Koa Hotel® to offer guests outdoor Lu'aus throughout the year irrespective of weather conditions. A new Master of Ceremonies for the Lu'au, Billboard recording artist and singing sensation Glenn Medeiros, has been favorably received by guests and takes the Lu'au to the next level of entertainment. The Lu'au Garden is also available for catered events, such as weddings, birthdays, and military ceremonies. The hotel's catering business continues to bustle and rank high with local eligible sponsors. The Hale Koa Room, the hotel's signature restaurant, unveiled a new menu that has earned it a reputation for fine dining with guests and the local media. Executive Chef Rolf Walter was honored by the American Culinary Federation of Chefs de Cuisine as one of only seven Hawaii chefs to become a member of the elite society of culinary professionals.

The Hale Koa Hotel® was one of only six businesses in Hawaii to be honored by the Governor, the Honorable Linda Lingle, with the "Green Award." This prestigious award honors businesses with proven environmentally friendly and energy efficient operations.



Grand Opening ceremonies at the newly expanded and renovated Shades of Green®.  
- Photo courtesy of CFSC PAO

### Shades of Green®

In March 2004, Shades of Green® on WALT DISNEY WORLD® Resort (Orlando, Fla.) unveiled its expanded and renovated resort facilities. Doubling in size, the resort now boasts 586 guestrooms, including junior and family suites, expansive banquet and elegant ballroom facilities, a parking garage, additional dining options, and a lush garden landscape adding to its secluded and tropical character.

Shades of Green® guests find themselves returning to a very different and impressive property with increased options and added amenities. Enhanced in-room services, a signature Italian restaurant (Mangino's), and state-of-the-art fitness center take this resort to the next level in both luxury and style. A friendly and knowledgeable staff ensures that guests enjoy all that Shades of Green® has to offer.

Shades of Green® had barely opened the doors on its new expansion when central Florida was struck with the winds and rain of four successive hurricanes. In the midst of chaos and devastation, Shades of Green® became a safe haven for military families from all over Florida. The Shades of Green® housed over 2,000 people each day during the crisis—family evacuees from military installations, local retirees, and guests already staying at the resort. With secure rooms and stable electricity, water, laundry facilities, entertainment, and meals, the resort met and exceeded the needs of guests.

With ever-improving amenities and a constant commitment to service members and quality, Shades of Green® also offers a discounted program to servicemembers returning on R&R leave from serving in OIF and OEF and remains dedicated to "Serving Those who Serve". The Shades of Green® on WALT DISNEY WORLD® Resort (Orlando, Fla.) accommodates an unparalleled demand by service members and their families to visit America's #1 vacation destination.





The new Children's Park at the Dragon Hill Lodge®.  
- Photo courtesy of CFSC Hospitality Support



## Dragon Hill Lodge®

The efforts of each and every Dragon Hill Lodge® employee in FY04 resulted in 139,301 occupied and cleaned guest room nights; 880,000 meals served; and 2,040 POiNT Fitness Center and 725 Hartell House memberships, enabling the Lodge to achieve \$39M in total revenue and \$16.6M NIBD for the year.

Bringing service to the troops is a Dragon Hill Lodge® strength, and the staff continued that tradition in support of an August 2004 Retreat Ceremony honoring members of the 2<sup>nd</sup> Brigade Combat Support Team. Dragon Hill Lodge® employees "deployed" to Camp Casey to cater a retreat ceremony honoring 3,600 "Warriors" from the 2<sup>nd</sup> Infantry Division preparing to deploy in support of OIF the following day. An All-American theme and menu was created expressly for this event.

In concert with 2<sup>nd</sup> Infantry Division leaders, the Lodge developed a weekend "get-away" program for Soldiers. The "Warrior Express" program offers Soldiers a one-night stay at Dragon Hill Lodge®, discounted meals, and a choice of activities in the Seoul area for only \$49.

A Children's Park was dedicated in August 2004 for children of guests and the Yongsan community. Tennis courts were converted into a park where children and their families can relax and have fun. Park focal points are three magnificent waterfalls and a miniature train. A large window was also installed in Market Square to allow panoramic views of the park which quickly became the new "Town Square" of the Yongsan community.

Pizza Hut® and Subway® operations arrived at Dragon Hill Lodge® in March 2004. This profitable first-of-its-kind joint venture with the Army and Air Force Exchange Service brings a slice of home to Yongsan for servicemembers and their families.

The Dragon Hill Lodge® also initiated a venture with Starbucks® to bring their specialty coffees to every Lodge outlet. Dragon Hill Lodge® brand wines are also offered in all restaurants and are available for public purchase.

Realizing that hardworking servicemembers deserve a little something extra, the Dragon Hill Lodge® implemented the "Dragon Experience" program to provide an unforgettable stay at this full-service resort. Servicemembers in a leave or pass status can reserve a premier or penthouse suite with enhanced amenities, to include luxurious robes and slippers, upgraded toiletries, and a nightly "turn down" service. Jacuzzis are currently being installed in many of the suites.

## Edelweiss Lodge and Resort

The new 330-room Edelweiss Lodge and Resort opened in September 2004 at the foot of the Alps in southern Bavaria (Garmisch-Partenkirchen, Germany). The official Grand Opening celebration on 30 October 2004 lit up the night sky over Garmisch, Germany as more than 1,000 guests attended the ribbon-cutting ceremony and open house to open the resort to servicemembers and their families.

The Edelweiss Lodge and Resort provides unique vacation opportunities for Alpine recreation, tours of Southern Europe, and world-class hospitality, in addition to operating U.S. Army, Europe's "Operation R&R" program for OIF/OEF Soldiers on Rest and Recuperation leave. The 1,200 year old town of Garmisch-Partenkirchen is the perfect stage for the resort. This 1936 Winter Olympics site offers plentiful shopping, Bavarian style food, and unique old world charm.

Since opening, the Edelweiss Lodge and Resort has regularly attained 100 percent occupancy. The Patton and Von Steuben Hotels will transfer back to the host nation through IMA-Europe in FY05; the Chiemsee Lake and Park hotels closed in 2003 and were transferred to IMA-Europe in December 2004.

The Edelweiss blends in perfect harmony with the Alps. The grand Main Lobby opens up to a three story wood burning fireplace and massive natural stone support columns. In addition to the lodge, the resort offers the Alpental Golf Course, the Hausberg Sport Lodge, family and fine dining, the POiNT Wellness Club, and Vacation Village Cabins and Campground. The indoor pool and therapeutic area at The POiNT offer one of the most intriguing attractions in the resort. Guests can also enjoy the large outdoor hot tub while looking on one of the greatest views of the Alps in Europe. Guests can use the dry sauna, steam room, foot bath, and massage room, or visit The POiNT certified massage therapists for a professional Swedish massage, hot stone treatment, and aroma therapy.

To experience the great outdoors and local culture, Alpine Adventures in the lodge main lobby arranges unique excursions for groups or families. Leisure activities and daily tours range from simple activities, such as a sunset hike through the valley to a full day tour of world famous attractions like Neuschwanstein and Linderhof castles, shopping trips in Italy, and scenic drives through Switzerland.

The Edelweiss signals an era of continued recreational opportunities for Soldiers, their families, and the U.S. presence in the region.

## Information Management

FY04 was a significant year for the implementation and fielding of the MWR Management Information System. Specific accomplishments include:

- Time Labor Management System efforts focused on implementation of a new release that sets the stage for database consolidation in Germany and Korea.
- Financial Management and Budget System version 2.0 efforts focused on implementing the 8.4.1 version of Oracle and Windows 2003 server. This update sets the stage for the migration to a pure web application and eliminates the need for user Citrix clients.
- Recreational Tracking System Version V2 fielding efforts focused on getting version 9.5 fielded Armywide. CFSC functional proponents and Financial Management staff continued to develop financial reporting standards. The ISR Services utilization reporting requirement was implemented by CFSC Customer Support Teams at 54 installations. Aberdeen Proving Ground continued to test the Customer Web Registration Module and the TCP/IP credit card processing module. More than 1,600 users were trained in the use of Rectrac! version 9.5 in FY04.
- Golf Tracking System Version V2 fielding continued, with Customer Support Teams completing the upgrade to version 9.5 at 50 golf courses.
- Child and Youth Management System fielding focused on the addition of new processes to expedite the annual reporting process. A focused user training effort was completed at 80 installations as a refresher on version 9.4. CFSC Information Management and Child and Youth Services began planning for an upgrade to version 9.5 in FY05.
- Standard Management Information Reports for Finance was upgraded to the newest version of ZIM, a relational database. The O3 product, that allows user defined views of financial data in graphical and spreadsheet formats, was implemented on the primary Application Service Provider server at CFSC.
- All five Standard NAF Automated Contracting System sites were operational in FY04, and the Contingency of Operations Plan site at Rock Island Arsenal was placed in operation.
- All five Application Service Provider sites became centrally managed by CFSC Information Management in FY04, with efforts focused on implementing configuration redundancy and failover, certification, and accreditation. The "to be" ASP architecture was also completed.
- The CFSC Requirements Analysis and Architecture Division focused on domain governance, enterprise architecture development, configuration management, information system certification and accreditation, and validation of customer requirements.
- Enterprise architecture "to be" analyses were completed for CYS Youth Technical Labs, the Baseline Standards Assessment, All-Army Sports Application, Customer Payment Solutions, Centralized Library System, and ASP Server farms.
- The Enterprise Architecture Configuration Control Board and the MWR Working Group reviewed and approved an IT Strategic Plan that ensures customer requirements are validated and supported, critical resources are maximized by providing the right solution the first time, and information systems are reliable and secure.



Soldiers of the 30<sup>th</sup> Brigade Combat Team, comprised of 5,000 North Carolina National Guard personnel, e-mail their families before Thanksgiving dinner from Camp Cobra, Iraq.  
- Photo by Tech. Sgt. Brian Christiansen, U.S. Air Force

## Army Recreation Machine Program

Compared to FY03, the Army Recreation Machine Program FY04 slot machine revenues were higher at \$107.3M while amusement machine revenues were down slightly to \$8.6M (Figure 5-9). The ARMP is evaluating traditional amusement products and looking at new businesses to help offset the industry-wide decline in video.

Coin-free gaming systems continued to keep ARMP slot revenues strong in FY04. In FY04, the ARMP converted an additional 24 locations and 553 machines to coin-free. Cumulative life-to-date manpower savings since FY 01 total 30 work-years. Of this total, 22.9 work-years have been saved by MWR locations.

The regulatory requirement for third-party command representatives for slot machine cash collections was eliminated. Technological improvements provide detailed back-end visibility on slot machine performance and transactions and support stronger internal controls. This initiative will save commands seven work-years annually.

The introduction of higher jackpots in some coin-free gaming machines ensures that customers are provided state-of-the-art games. This allows customers to take advantage of popular bonus features now offered throughout the industry. Jackpots that exceed \$1,200 are subject to IRS reporting and the ARMP provides the required documentation and verification.

New joint amusement machine partnerships with other services in FY04 included: Coast Guard Integrated Support Command MWR, Sheppard AFB MWR, Lackland AFB MWR, and AAFES, US Marine Corps-Iwakuni MWR, Eglin AFB MWR, Hurlburt Field MWR, and Robbins AFB AAFES. Additionally, the ARMP also began operations to support Fort Polk MWR.

The ARMP is coordinating a partnership with the US Navy to support slot operations at Camp Shields and White Beach, Okinawa and Chin Hae, Korea. This mutually beneficial partnership will result in additional funds for the ARMWRF and provide the Navy with coin-free games and turnkey operation support.

### Army Recreation Machine Program

FY04 Financial Performance Results (\$M)

	Army	Navy	USMC	USAF	Coast Guard	Total
Revenue						
• Slots	88.50	2.60	16.20			107.30
• Amusements	7.20	.20	.70	.50	.01	8.61
	\$ 95.70	\$ 2.80	\$ 16.90	\$ .50	\$ .01	\$ 115.91
Program Benefit*	\$ 75.40	\$ 2.40	\$ 14.20	\$ .10	\$ -	\$ 92.10

\* Total funds distributed to installations/commands

Figure 5-9





The DOD eMall, jointly developed by Defense Logistics Agency and CFSC, provides a one-stop shop via the Internet for NAF purchase card holders to compare pricing, make purchases, and obtain cost savings.

## NAF Contracting

The goal of NAF contracting is to provide strategic communication, resources, policy, guidance, and oversight to foster and facilitate the transformation of the NAF acquisition process worldwide. The CFSC NAF Contracting Directorate, in partnership with IMA, continued to support DOD and Army MWR, Army Lodging, and Civilian/Post Restaurant Fund programs in FY04. Key initiatives for the year included expanded capabilities in the NAF automated procurement system, continued success with consolidated contracts, and many contracts for renovation, major, or minor construction projects at installations.

The web-based Standard NAF Automated Contracting System continues to improve functionality and performance for users and has expanded its capabilities through new upgrades and versions. SNACS supports more than 3,000 users on four Purchase Request Information System Management databases at CONUS and OCONUS locations. Standing operating procedures and security groups were revised to improve internal management controls, and new archiving procedures and database audits have improved system performance and maintained operating standards. Crystal Web Enterprise, a reporting software program, was set up on several PRISM databases to enhance reporting capabilities. Combined, these innovations provide users with better tools to manage database information and strategic contracting processes. Worldwide refresher training continues at many locations.

For the year, 4,300 NAF purchase card participants purchased \$120M in goods and services, yielding \$931K in NAF rebates. Automated reporting and electronic data interchange have been implemented in the approval and payment processes to improve efficiency, oversight, and effectiveness of internal management control. Since implementing Customer Automated Reporting Environment-Electronic Data Interchange, NAF rebates average 89 percent of all possible rebates and delinquencies are significantly reduced. The goal for FY05 is to obtain 95 percent of all rebate dollars.

In FY04, construction projects valued at \$365M were processed through acquisition, construction, or warranty phases. Nine Army construction projects valued at \$85.7M were completed and placed under warranty, and 15 projects worth \$44.9M were awarded for new construction or renovation. Six other construction projects valued at \$24.5M were completed for the Navy, Marines, and NEXCOM, while eight additional Marine Corps projects worth \$25.6M were in acquisition phase.

The Army Lodging Success Program continues to expand. Contracts supporting DoD travelers, military training, and student services are averaging negotiated room night rates of 20 percent below per diem. Consolidated purchases made during the Army Lodging annual "show-buy" program yielded \$472K in FY04 savings. Centralized contract initiatives resulted in a total purchase volume of \$2.6M and \$390K in savings. With the sustained growth of Army Lodging programs, further program savings resulted from continuing centralized contract support. In addition to centralized initiatives, CFSC executed contracts valued at \$10M in support of Army Lodging locations worldwide.

Contract support to IMA regions and installations also realized significant savings to the Army in FY04. Twenty Joint Services Prime Vendor contracts generated \$116M in purchases and \$16.6M in total savings from discounts and price deviations; \$1.6M in rebates were provided to participating installations. Orders totaling \$3.7M for fitness equipment supported the Pentagon Athletic Center; the 598<sup>th</sup> Transportation Group, Netherlands; the U.S. Army 597<sup>th</sup> Transportation Terminal, N.C.; and Soldiers deployed to OIF. Contracts were also awarded for a financial audit of IMA Northwest Region and to provide Army Fitness Deployed® kits to deployed Soldiers.

Other contract initiatives in FY04 included:

- PPV contract administration that generated \$500K income to their respective installations since inception.
- Administration of contracts for the Hotel Thayer and the Inn at Schofield Barracks.
- Contractual support for MWR MIS standard software programs.
- Development and implementation of a NAF eMall to provide one-stop shopping capability via the Internet for NAF purchase card holders to use to compare pricing, make purchases, and obtain cost savings. This cooperative effort with DLA is located at [www.mwremall.com](http://www.mwremall.com).





## Marketing Communications

The CFSC's integrated marketing communications efforts continue to target a cohesive and strategic MWR brand identity while serving Army IMA regions and communities. Efforts focused on completing development of a multifaceted strategic communications plan and comprehensive tools for implementation and promotion at all Army levels.

The plan strives to communicate the wide variety of MWR program and service categories as "MWR for all of your life," and speaks to all audiences—Soldiers, family members, retirees, civilians, employees, Army leadership, Congress, and the American public. The communication plan was initially fielded in FY04 through engaging MWR employees with the the MWR brand and increasing awareness of community programs and activities.

The CFSC hosted Armywide marketing, sponsorship, and advertising training in August with MWR and private industry experts. Attended by more than 140 MWR marketing professionals, the conference delivered graduate-level instruction on the MWR brand and toolkit, nonverbal communication, emotional branding, sponsorship sales, and management controls for sponsorship and advertising, as well as panel discussions with marketing, sponsorship, and advertising professionals from CFSC, IMA region, and installations.

The CFSC websites manage and provide invaluable information for internal and external audiences in Army communities:

- ArmyMWR.com serves as the public portal for all programs and services around the globe. MWR news features, travel, event, and program information define this customer-focused information center. The web site delivers an average of 700,000 web page views monthly and is supplemented by commercial advertising and sponsorship. As a key promoter of the MWR brand, the web site demonstrates a consistent image and message for customers, employees, and the American public.
- ArmyMWR.org features information for the MWR professional at all levels and functional areas. More than 425,000 documents were downloaded in 2004, featuring specialized information and policy guidance for MWR programs.
- ArmyMWR.info hosts Knowledge Centers with self-directed information customized for the directorates they serve. Knowledge pods keep constituents up-to-date with documents, bulletin boards, and electronic magazines for the entire MWR community.

Marketing resource data is delivered directly to Army MWR program managers and other services via an e-mail publication, TIDBITS, that includes research on families; child and youth; food, beverage, and entertainment; leisure, hobbies, and skill development; internet/computers; sports and fitness; and travel/tourism.

Strategic marketing and promotion efforts supporting the worldwide implementation and deployment of the 2004 Survey of Army Families V increased the response rate and maximized awareness in Army communities. Along with creating and distributing many promotional items and giveaways for community photo contests, Marketing Communications' ground-breaking partnership with the Defense Commissary Agency for the distribution and use of custom-printed shopping bags successfully contributed to the objective and execution of those promotions.

The Army MWR Leisure Needs Survey measures leisure activity participation, patron preference, usage, satisfaction levels, and perceived quality of installation MWR programs and facilities. The LNS is a cost-effective MWR program and service survey tool provided to installations triennially by CFSC. Administered centrally at significant savings, the survey provides data for the five-year program planning process and meets Installation Status Report requirements as well as the needs assessments requirements in chapters two and ten of AR 215-1. The LNS eliminates the need to conduct local surveys to meet these requirements while gaining the ability to compare MWR programs Armywide. The latest LNS is scheduled for fielding in 2005. Ninety-two custom surveys are being developed for the installations participating in the 2005 LNS. The survey includes four population segments that are eligible MWR patrons—Soldiers, spouses, civilian employees, and military retirees—and, for the first time, offers respondents the option to complete the survey online. A comprehensive installation report will be provided to each installation in electronic format. Each report will provide patron data in the form of a complete, queryable database consisting of both installation specific and cumulative, regional, and Armywide data.



A test drive at the "Army MWR Jeep 101" event at Fort Lewis.  
- Photo courtesy of CFSC Marketing



## Public Affairs

In 2004, CFSC Public Affairs completed a two-year redesign of its flagship magazine, *Feedback*. Over the course of the redesign, the redesign team changed *Feedback* to an all-color, glossy magazine that is easier to read with more compelling, informational stories.

The Army MWR story is being told across the globe, from feature stories and photos in *Army Times*, *Stars and Stripes*, and *Soldiers* magazine, to feature coverage on the History Channel's Mail Call program, network coverage of military athletes at the 2004 Summer Olympics, and special Hot Topics *Soldiers* magazine inserts.

The CFSC Public Affairs Office generated 73 press releases in FY04. More than 60 video and radio news releases were produced for Soldiers Radio and Television, including new special video releases for the U.S. Army Soldier Show and military athlete participation in the summer Olympics. These video releases were included in a biweekly 30-minute Soldiers Radio and Television news magazine, "Army Newswatch," distributed to more than 800 civilian cable stations nationwide and reaching millions of households.



## Corporate Partnerships

The mission of the CFSC Corporate Partnership Branch is three-fold: partner with corporate America to generate revenue for CFSC flagship MWR programs; develop national partnership programs which result in additional funding for installations; and provide training and consulting to MWR sponsorship and advertising professionals.

Numerous Army sponsorship and advertising training opportunities were offered to installation MWR professionals in FY04. The 2004 Army MWR Marketing, Sponsorship, and Advertising Conference featured a customized sales and account management track. In addition to the conference, installation representatives received other sponsorship training opportunities to include a customized web seminar and a special negotiated military rate at the sponsorship industry's premiere event marketing conference.

The Army sponsorship and advertising program increased income by 27 percent from FY03. In FY04, Army MWR sponsorship and advertising sales totaled \$5.6M in cash and \$5.8M in products and services. More than \$640K in sponsorship and advertising income generated by the CFSC Corporate Partnership Branch was transferred to garrison MWR funds.

During FY04, the CFSC Corporate Partnership Branch continued to emphasize package sponsorship and advertising agreements that directly benefited the field. The Army negotiated new partnership opportunities and maintained several existing corporate relationships that generated additional revenue and special event programming for installation MWR programs. One new program was the "Army MWR Jeep 101" interactive test drive where host installations received a turnkey event and sponsorship funding while MWR patrons enjoyed a unique off-road test drive experience and other event activities.

Relationships with existing corporate clients were renewed for many CFSC-hosted MWR programs and events, such as the Army Concert Tour and the U.S. Army Soldier Show that included overseas military installations. Additionally, CONUS and OCONUS installations negotiated sponsorship agreements in conjunction with a variety of MWR events. Advertising sales in MWR facilities and publications experienced tremendous growth in FY04, reaching an all time high of \$1.9M.

## Notes

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Dollar figures used in the text and charts are rounded to the nearest \$100 thousand. Throughout this report, "\$M" designates millions, and "\$K" designates thousands.

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## Additional website information:

Army MWR  
[www.armymwr.com](http://www.armymwr.com)

Army Community Service  
[www.myarmylifetoo.org](http://www.myarmylifetoo.org)

Better Opportunities for Single Soldiers  
[www.armymwr.com/BOSS/](http://www.armymwr.com/BOSS/)

Army Entertainment  
[www.armyentertainment.net](http://www.armyentertainment.net)

Army Libraries  
[www.libraries.army.mil](http://www.libraries.army.mil)







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